Department of Social Services
MO HealthNet Division

Fiscal Year 2021 Budget Request
Book 5 of 6

Jennifer Tidball, Acting Director

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Department Request Summary

DEPARTMENT OF SOCIAL SERVICES
FISCAL YEAR 2021 BRASS SECTION SUMMARY

Decision Item Name	2021 DEPARTMENT REQUEST				
	FTE	GR	FF	OF	Total
MO HealthNet Administration					
Core	238.70	12,036,091	21,669,447	3,333,482	37,039,020
NDI- Pay Plan CTC	0.00	65,937	78,685	28,665	173,287
NDI- CBIZ CTC	0.00	47,504	29,113	8,638	85,255
NDI- Mileage Reimbursement	0.00	726	913	0	1,639
NDI- Capital Investment CTC	0.00	70,783	70,783	0	141,566
NDI- MOM Grant	0.00	0	750,000	0	750,000
Total	238.70	12,221,041	22,598,941	3,370,785	38,190,767
Clinical Services Program Management					
Core	0.00	461,917	12,214,032	2,485,506	15,161,455
Total	0.00	461,917	12,214,032	2,485,506	15,161,455
MHD Transformation					
Core	6.00	6,370,458	27,619,318	0	33,989,776
Total	6.00	6,370,458	27,619,318	0	33,989,776
TPL Contracts					
Core	0.00	0	4,250,000	4,250,000	8,500,000
Total	0.00	0	4,250,000	4,250,000	8,500,000
Information Systems					
Core	0.00	27,442,320	75,876,001	2,021,687	105,340,008
NDI- CMSP Operational	0.00	438,680	959,984	0	1,398,664
NDI- MMIS Core Replacement	0.00	1,200,000	10,800,000	0	12,000,000
NDI- MMIS Security Risk Assessment	0.00	842,500	842,500	0	1,685,000
NDI - MMIS Claim Transactions	0.00	100,000	900,000	0	1,000,000
NDI- MMIS Drug Rebate Replacement	0.00	725,000	6,525,000	0	7,250,000
NDI- MMIS Premium Collections	0.00	250,000	1,050,000	0	1,300,000
Total	0.00	30,998,500	96,953,485	2,021,687	129,973,672

DEPARTMENT OF SOCIAL SERVICES
FISCAL YEAR 2021 BRASS SECTION SUMMARY

Decision Item Name	2021 DEPARTMENT REQUEST				
	FTE	GR	FF	OF	Total
Electronic Health Records Incentives					
Core	0.00	0	28,000,000	0	28,000,000
Total	0.00	0	28,000,000	0	28,000,000
Hospital HIT					
Core	0.00	0	9,000,000	1,000,000	10,000,000
Total	0.00	0	9,000,000	1,000,000	10,000,000
HITECH					
Core	0.00	1,000,000	9,000,000	0	10,000,000
Total	0.00	1,000,000	9,000,000	0	10,000,000
Money Follows the Person					
Core	0.00	0	532,549	0	532,549
Total	0.00	0	532,549	0	532,549
Pharmacy					
Core	0.00	132,407,817	792,892,055	278,467,182	1,203,767,054
NDI- MHD CTC	0.00	17,030,022	23,064,936	0	40,094,958
NDI- Asset Limit CTC	0.00	364,175	696,014	0	1,060,189
NDI- Pharmacy PMPM-Specialty	0.00	16,045,734	30,631,734	0	46,677,468
NDI- Asset Limit Phase-In	0.00	49,357	346,551	131,969	527,877
Total	0.00	165,897,105	847,631,290	278,599,151	1,292,127,546
Pharmacy - Medicare Part D Clawback					
Core	0.00	230,978,651	0	0	230,978,651
Total	0.00	230,978,651	0	0	230,978,651
Missouri Rx Plan					
Core	0.00	3,039,439	0	2,788,774	5,828,213
Total	0.00	3,039,439	0	2,788,774	5,828,213

Decision Item Name	2021 DEPARTMENT REQUEST				
	FTE	GR	FF	OF	Total
Pharmacy FRA					
Core	0.00	0	0	108,308,926	108,308,926
Total	0.00	0	0	108,308,926	108,308,926
Physician Related Prof					
Core	0.00	168,616,022	389,112,549	3,837,133	561,565,704
NDI- MHD CTC	0.00	39,961,982	10,640,794	0	50,602,776
NDI- Asset Limit CTC	0.00	357,990	684,194	0	1,042,184
NDI- Asset Limit Phase-In	0.00	178,246	340,666	0	518,912
NDI- CCBHO	0.00	1,545,750	2,954,250	0	4,500,000
Total	0.00	210,659,990	403,732,453	3,837,133	618,229,576
PACE					
Core	0.00	4,886,504	9,313,496	0	14,200,000
Total	0.00	4,886,504	9,313,496	0	14,200,000
Trauma Treatment					
Core	0.00	430,150	819,850	0	1,250,000
Total	0.00	430,150	819,850	0	1,250,000
Neonatal Abstinence Syndrome					
Core	0.00	481,421	917,572	0	1,398,993
Total	0.00	481,421	917,572	0	1,398,993
Dental					
Core	0.00	1,800,583	3,578,086	71,162	5,449,831
NDI- Asset Limit CTC	0.00	8,687	16,603	0	25,290
NDI- Asset Limit Phase-In	0.00	4,325	8,267	0	12,592
Total	0.00	1,813,595	3,602,956	71,162	5,487,713

DEPARTMENT OF SOCIAL SERVICES
FISCAL YEAR 2021 BRASS SECTION SUMMARY

Decision Item Name	2021 DEPARTMENT REQUEST				
	FTE	GR	FF	OF	Total
Premium Payments					
Core	0.00	87,234,646	176,554,273	0	263,788,919
NDI- MHD CTC	0.00	0	3,431,573	0	3,431,573
NDI - Premium Increase	0.00	8,714,001	18,097,059	0	26,811,060
Total	0.00	95,948,647	198,082,905	0	294,031,552
Nursing Facilities					
Core	0.00	153,904,776	417,920,475	65,509,459	637,334,710
NDI- MHD Capital Investment CTC	0.00	7,839,256	14,941,331	0	22,780,587
Total	0.00	161,744,032	432,861,806	65,509,459	660,115,297
Home Health					
Core	0.00	1,444,617	3,060,596	159,305	4,664,518
NDI- Asset Limit CTC	0.00	2,647	5,060	0	7,707
NDI- Asset Limit Phase-In	0.00	1,318	2,519	0	3,837
Total	0.00	1,448,582	3,068,175	159,305	4,676,062
Nursing Facility FRA					
Core	0.00	0	0	351,448,765	351,448,765
NDI- MHD CTC	0.00	0	0	2,156,898	2,156,898
Total	0.00	0	0	353,605,663	353,605,663
Long Term Support Payments					
Core	0.00	0	7,182,390	3,768,378	10,950,768
Total	0.00	0	7,182,390	3,768,378	10,950,768

DEPARTMENT OF SOCIAL SERVICES
FISCAL YEAR 2021 BRASS SECTION SUMMARY

Decision Item Name	2021 DEPARTMENT REQUEST				
	FTE	GR	FF	OF	Total
Rehab & Specialty Services					
Core	0.00	95,923,372	195,022,033	25,763,998	316,709,403
NDI- MHD CTC	0.00	3,741,974	0	0	3,741,974
NDI- Asset Limit CTC	0.00	360,732	886,305	103,008	1,350,045
NDI- Hospice Rate Increase	0.00	124,613	238,161	0	362,774
NDI- Asset Limit Phase-In	0.00	163,157	441,299	67,743	672,199
	0.00	100,313,848	196,587,798	25,934,749	322,836,395
Treat No Transport					
Core	0.00	481,393	917,600	0	1,398,993
NDI- Treat No Transport	0.00	574,071	1,094,157	0	1,668,228
Total	0.00	1,055,464	2,011,757	0	3,067,221
NEMT					
Core	0.00	14,047,772	33,235,927	0	47,283,699
NDI- MHD CTC	0.00	570,726	1,088,194	0	1,658,920
NDI- Asset Limit CTC	0.00	32,094	61,337	0	93,431
NDI- NEMT Actuarial Increase	0.00	1,027,228	1,963,246	0	2,990,474
NDI- Asset Limit Phase-In	0.00	15,980	30,540	0	46,520
Total	0.00	15,693,800	36,379,244	0	52,073,044
Ground Emer Med Transport					
Core	0.00	0	55,067,846	28,892,400	83,960,246
Total	0.00	0	55,067,846	28,892,400	83,960,246
Complex Rehab Technology Products					
Core	0.00	3,907,484	7,446,261	0	11,353,745
NDI- Asset Limit CTC	0.00	3,023	5,777	0	8,800
NDI- Asset Limit Phase-In	0.00	1,505	2,877	0	4,382
Total	0.00	3,912,012	7,454,915	0	11,366,927

DEPARTMENT OF SOCIAL SERVICES
FISCAL YEAR 2021 BRASS SECTION SUMMARY

Decision Item Name	2021 DEPARTMENT REQUEST				
	FTE	GR	FF	OF	Total
Managed Care					
Core	0.00	341,764,609	1,202,649,780	258,796,442	1,803,210,831
NDI- MC Actuarial Increase	0.00	19,634,554	37,525,719	0	57,160,273
NDI- MC Heath Insurer Fee	0.00	20,196,379	38,599,484	0	58,795,863
Total	0.00	381,595,542	1,278,774,983	258,796,442	1,919,166,967
Hospital Care					
Core	0.00	34,666,398	360,412,681	186,623,941	581,703,020
NDI- MHD CTC	0.00	18,081,179	85,035,604	0	103,116,783
NDI- Asset Limit CTC	0.00	559,016	1,643,686	301,009	2,503,711
NDI- Asset Limit Phase-In	0.00	278,339	818,405	149,875	1,246,619
Total	0.00	53,584,932	447,910,376	187,074,825	688,570,133
Physician Payments for Safety Net					
Core	0.00	0	15,722,792	0	15,722,792
NDI- Physician Safety Net FFS CTC		0	393,900	206,100	600,000
Total	0.00	0	16,116,692	206,100	16,322,792
FQHC Distribution and Women and Minority					
Core	0.00	2,287,528	2,068,625	0	4,356,153
Total	0.00	2,287,528	2,068,625	0	4,356,153
Technical Assistance Contracts					
Core	0.00	1,981,340	3,663,395	0	5,644,735
Total	0.00	1,981,340	3,663,395	0	5,644,735
Health Homes					
Core	0.00	4,867,731	13,548,938	2,285,434	20,702,103
NDI- MHD CTC		791,374	4,133,140	1,324,013	6,248,527
NDI- Health Home Expansion		453,238	1,273,873	213,289	1,940,400
Total	0.00	6,112,343	18,955,951	3,822,736	28,891,030

DEPARTMENT OF SOCIAL SERVICES
FISCAL YEAR 2021 BRASS SECTION SUMMARY

Decision Item Name	2021 DEPARTMENT REQUEST				
	FTE	GR	FF	OF	Total
Federal Reimbursement Allowance					
Core	0.00	0	0	1,280,593,734	1,280,593,734
NDI - FRA Increase CTC		0	0	270,789,964	270,789,964
Total	0.00	0	0	1,551,383,698	1,551,383,698
IGT Safety Net Hospitals					
Core	0.00	0	25,015,818	13,125,028	38,140,846
Total	0.00	0	25,015,818	13,125,028	38,140,846
CHIP					
Core	0.00	14,220,493	69,771,887	7,719,204	91,711,584
NDI- MHD CTC	0.00	958,578	2,449,075	0	3,407,653
NDI- MC Actuarial Increase	0.00	1,337,955	4,227,580	0	5,565,535
NDI- MC Health Insurer Fee	0.00	353,362	1,116,531	0	1,469,893
Total	0.00	16,870,388	77,565,073	7,719,204	102,154,665
Show Me Babies					
Core	0.00	7,886,217	24,708,924	0	32,595,141
NDI- MHD CTC	0.00	943,822	3,138,516	0	4,082,338
NDI- MC Actuarial Increase	0.00	130,757	413,157	0	543,914
NDI- MC Health Insurer Fee	0.00	176,512	557,732	0	734,244
Total	0.00	9,137,308	28,818,329	0	37,955,637
School District Medicaid Claiming					
Core	0.00	242,525	41,653,770	0	41,896,295
Total	0.00	242,525	41,653,770	0	41,896,295
Blind Pension Medical Benefits					
Core	0.00	22,603,920	0	0	22,603,920
Total	0.00	22,603,920	0	0	22,603,920

DEPARTMENT OF SOCIAL SERVICES
FISCAL YEAR 2021 BRASS SECTION SUMMARY

Decision Item Name	2021 DEPARTMENT REQUEST				
	FTE	GR	FF	OF	Total
CHIP Inc Enhance Transfer					
Core	0.00	0	46,666,463	0	46,666,463
Total	0.00	0	46,666,463	0	46,666,463
IGT Transfer					
Core	0.00	0	0	137,074,165	137,074,165
Total	0.00	0	0	137,074,165	137,074,165
IGT DMH Medicaid Programs					
Core	0.00	0	500,077,646	203,482,221	703,559,867
Total	0.00	0	500,077,646	203,482,221	703,559,867
GR Pharmacy FRA Transfer					
Core	0.00	38,737,111	0	0	38,737,111
Total	0.00	38,737,111	0	0	38,737,111
Pharmacy FRA Transfer					
Core	0.00	0	0	38,737,111	38,737,111
Total	0.00	0	0	38,737,111	38,737,111
Ambulance SRV Reim Allow Transfer					
Core	0.00	20,837,332	0	0	20,837,332
Total	0.00	20,837,332	0	0	20,837,332
GR Ambulance SRV Reim. Allow Transfer					
Core	0.00	0	0	20,837,332	20,837,332
Total	0.00	0	0	20,837,332	20,837,332
GR FRA Transfer					
Core	0.00	653,701,378	0	0	653,701,378
Total	0.00	653,701,378	0	0	653,701,378

DEPARTMENT OF SOCIAL SERVICES
FISCAL YEAR 2021 BRASS SECTION SUMMARY

Decision Item Name	2021 DEPARTMENT REQUEST				
	FTE	GR	FF	OF	Total
FRA Transfer					
Core	0.00	0	0	653,701,378	653,701,378
Total	0.00	0	0	653,701,378	653,701,378
GR NFRA Transfer					
Core	0.00	0	0	1,500,000	1,500,000
Total	0.00	0	0	1,500,000	1,500,000
Nursing Facility Reimbursement Transfer					
Core	0.00	210,950,510	0	0	210,950,510
Total	0.00	210,950,510	0	0	210,950,510
Nursing Facility Quality Transfer					
Core	0.00	0	0	210,950,510	210,950,510
Total	0.00	0	0	210,950,510	210,950,510
DSS Legal Expense Fund TRF					
Core	0.00	0	0	0	0
Total	0.00	0	0	0	0

MHD Core Total	244.70	2,301,642,525	4,587,163,075	3,897,532,657	10,786,338,257
MHD NDI Total	0.00	166,354,788	315,006,824	275,481,171	756,842,783
Less MHD Non Counts	0.00	(924,226,331)	(546,744,109)	(1,266,282,717)	(2,737,253,157)
Total MHD	244.70	1,543,770,982	4,355,425,790	2,906,731,111	8,805,927,883

NDI - MO HealthNet
Cost to Continue

NEW DECISION ITEM

Department: Social Services
Division: MO HealthNet
DI Name: MO HealthNet Cost to Continue

DI# 1886001

Budget Unit: 90541C, 90544C, 90547C, 90567C, 90561C,
90550C, 90552C, 90574C, 90556C, 88855C
HB Section: 11.630, 11.645, 11.655, 11.665, 11.675,
11.695, 11.710, 11.725, 11.730

1. AMOUNT OF REQUEST

	FY 2021 Budget Request					FY 2021 Governor's Recommendation			
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS					PS				0
EE					EE				0
PSD	82,079,657	132,981,832	3,480,911	218,542,400	PSD				0
TRF					TRF				0
Total	82,079,657	132,981,832	3,480,911	218,542,400	Total	0	0	0	0
FTE	0.00	0.00	0.00	0.00	FTE				0.00

Est. Fringe	*0*	*0*	*0*	*0*	*Est. Fringe*	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Federal Reimbursement Allowance (0142) - $1,324,013
Nursing Facility Reimbursement Allowance (0196) - $2,156,898

Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program		Fund Switch
	Federal Mandate		Program Expansion	x	Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan		Other:		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

Funds are requested for estimated costs in the FY 2021 budget. These amounts are based on actual MO HealthNet program expenditures through August 2019 and historical trends. It is anticipated that additional funding will be necessary to operate current MO HealthNet programs for Fiscal Year 2021. Programs with estimated shortfalls include: Pharmacy, Physician, Premium, Nursing Facility Reimbursement Allowance (NFRA), Rehabilitation and Specialty Services, Non-Emergency Medical Transportation (NEMT), Hospital Care, Health Homes, Children's Health Insurance Program (CHIP), and Show-Me Healthy Babies (SMHB).

Department: Social Services

Division: MO HealthNet

DI Name: MO HealthNet Cost to Continue   DI# 1886001

Budget Unit: 90541C, 90544C, 90547C, 90567C, 90561C, 90550C, 90552C, 90574C, 90556C, 88855C

HB Section: 11.630, 11.645, 11.655, 11.665, 11.675, 11.695, 11.710, 11.725, 11.730

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4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

Funds are requested for estimated costs in the FY 2021 budget. These amounts are based on actual MO HealthNet program expenditures through August 2019 and historical trends. It is anticipated that additional funding will be necessary to operate current MO HealthNet programs for Fiscal Year 2021. Programs with estimated shortfalls include: Pharmacy, Physician, Premium, Nursing Facility Reimbursement Allowance (NFRA), Rehabilitation and Specialty Services, Non-Emergency Medical Transportation (NEMT), Hospital Care, Health Homes, Children's Health Insurance Program (CHIP), and Show-Me Healthy Babies (SMHB). The tables below outline the cost to continue need for the Fiscal Year 2020 supplemental by program area.

	Department Request			
	GR	**Federal**	**Other**	**Total**
Pharmacy	17,030,022	23,064,936	0	40,094,958
Physician	39,961,982	10,640,794	0	50,602,776
Premium	0	3,431,573	0	3,431,573
NFFRA	0	0	2,156,898	2,156,898
Rehab	3,741,974	0	0	3,741,974
NEMT	570,726	1,088,194	0	1,658,920
Hospital	18,081,179	85,035,604	0	103,116,783
Health Homes	791,374	4,133,140	1,324,013	6,248,527
CHIP	958,578	2,449,075	0	3,407,653
SMHB	943,822	3,138,516	0	4,082,338
Total	82,079,657	132,981,832	3,480,911	218,542,400

Department: Social Services   **Budget Unit: 90541C, 90544C, 90547C, 90567C, 90561C,**
Division: MO HealthNet   **90550C, 90552C, 90574C, 90556C, 88855C**
DI Name: MO HealthNet Cost to Continue   **DI# 1886001**   **HB Section: 11.630, 11.645, 11.655, 11.665, 11.675,**
                                                                          11.695, 11.710, 11.725, 11.730

Pharmacy (11.630)	Department Request			
	GR	Federal	Other	Total
Asset Limit (unfunded)	329,274	627,583	0	956,857
Additional Asset Limit Needed	525,864	1,005,036	0	1,530,900
Specialty PMPM (unfunded)	8,244,088	15,712,928	0	23,957,016
Extra 1 Day Claims Processing over FY19	1,149,061	2,196,095	0	3,345,156
Caseload/Utilization/Inflation in FY19	6,781,735	3,523,294	0	10,305,029
Total Need	**17,030,022**	**23,064,936**	**0**	**40,094,958**

Physician Services (11.645)	GR	Federal	Other	Total
Asset Limit (unfunded)	360,454	687,012	0	1,047,466
Additional Asset Limit Needed	141,278	256,796	0	398,074
FY19 CTC (unfunded)	33,249,494	1,846,191	0	35,095,685
Chiropractic (unfunded)	2,072,408	3,774,074	0	5,846,482
Certified Community Behavioral Health Clinic	305,440	583,760	0	889,200
Disease Management	332,380	635,247	0	967,627
Extra 1 Day Claims Processing over FY19	462,635	884,191	0	1,346,826
Caseload/Utilization/Inflation in FY19	3,037,893	1,973,523	0	5,011,416
Total Physician Services	**39,961,982**	**10,640,794**	**0**	**50,602,776**

Premium Payments (11.655)	GR	Federal	Other	Total
Asset Limit (unfunded)	0	169,108	0	169,108
Extra 1 Day Claims Processing over FY19	0	457,603	0	457,603
Caseload/Utilization/Inflation in FY19	0	2,804,862	0	2,804,862
Total Premium Payments	**0**	**3,431,573**	**0**	**3,431,573**

NFFRA (11.665)	GR	Federal	Other	Total
Extra 1 Day Claims Processing over FY19	0	0	947,661	947,661
Caseload/Utilization/Inflation in FY19	0	0	1,209,237	1,209,237
Total NFFRA	**0**	**0**	**2,156,898**	**2,156,898**

Department: Social Services
Division: MO HealthNet
DI Name: MO HealthNet Cost to Continue   **DI# 1886001**

Budget Unit: 90541C, 90544C, 90547C, 90567C, 90561C,
90550C, 90552C, 90574C, 90556C, 88855C
HB Section: 11.630, 11.645, 11.655, 11.665, 11.675,
11.695, 11.710, 11.725, 11.730

	Department Request			
Rehabilitation and Specialty Services (11.675)	**GR**	**Federal**	**Other**	**Total**
Asset Limit (unfunded)	305,526	0	0	305,526
FY19 CTC (unfunded)	5,361,704	0	0	5,361,704
Extra 1 Day Claims Processing over FY19	278,088	0	0	278,088
Caseload/Utilization/Inflation in FY19	(2,203,344)	0	0	(2,203,344)
Total Rehabilitation and Specialty Services	**3,741,974**	**0**	**0**	**3,741,974**

NEMT (11.675)	**GR**	**Federal**	**Other**	**Total**
Asset Limit (unfunded)	22,229	42,368	0	64,597
Additional Asset Limit Needed	38,272	71,876	0	110,148
Extra 1 Day Claims Processing over FY19	39,979	76,408	0	116,387
Caseload/Utilization/Inflation in FY19	470,246	897,542	0	1,367,788
Total Rehabilitation and Specialty Services	**570,726**	**1,088,194**	**0**	**1,658,920**

Hospital Care (11.695)	**GR**	**Federal**	**Other**	**Total**
Asset Limit (unfunded)	866,130	1,650,811	0	2,516,941
Additional Asset Limit Needed	645,738	1,207,425	0	1,853,163
FY19 CTC (unfunded)	862,514	42,685,634	0	43,548,148
Extra 1 Day Claims Processing over FY19	619,729	1,184,431	0	1,804,160
Caseload/Utilization/Inflation in FY19	15,087,068	38,307,303	0	53,394,371
Total Hospital Care	**18,081,179**	**85,035,604**	**0**	**103,116,783**

Health Homes (11.710)	**GR**	**Federal**	**Other**	**Total**
Extra 1 Day Claims Processing over FY19	3,713	10,435	1,747	15,895
Caseload/Utilization/Inflation in FY19	787,661	4,122,705	1,322,266	6,232,632
Total Health Homes	**791,374**	**4,133,140**	**1,324,013**	**6,248,527**

Department: Social Services
Division: MO HealthNet
DI Name: MO HealthNet Cost to Continue DI# 1886001

Budget Unit: 90541C, 90544C, 90547C, 90567C, 90561C,
90550C, 90552C, 90574C, 90556C, 88855C
HB Section: 11.630, 11.645, 11.655, 11.665, 11.675,
11.695, 11.710, 11.725, 11.730

	Department Request			
CHIP (11.725)	**GR**	**Federal**	**Other**	**Total**
FY19 CTC (unfunded)	1,969,864	6,124,650	0	8,094,514
Specialty PMPM (unfunded)	91,382	288,111	0	379,493
Extra 1 Day Claims Processing over FY19	61,689	194,921	0	256,610
Caseload/Utilization/Inflation in FY19	(1,164,357)	(4,158,607)	0	(5,322,964)
Total CHIP	**958,578**	**2,449,075**	**0**	**3,407,653**

SMHB (11.730)	**GR**	**Federal**	**Other**	**Total**
FY19 CTC (unfunded)	1,046,059	3,359,497	0	4,405,556
Extra 1 Day Claims Processing over FY19	23,093	72,968	0	96,061
Caseload/Utilization/Inflation in FY19	(125,330)	(293,949)	0	(419,279)
Total SMHB	**943,822**	**3,138,516**	**0**	**4,082,338**

TOTAL	**82,079,657**	**132,981,832**	**3,480,911**	**218,542,400**

Department: Social Services **Budget Unit: 90541C, 90544C, 90547C, 90567C, 90561C,**
Division: MO HealthNet **90550C, 90552C, 90574C, 90556C, 88855C**
DI Name: MO HealthNet Cost to Continue **DI# 1886001** **HB Section: 11.630, 11.645, 11.655, 11.665, 11.675,**
11.695, 11.710, 11.725, 11.730

The table below outlines the projected core cuts for the Fiscal Year 2021 by program area, and the net difference between those cuts and the overall MHD request.

	FY21 Projected Core Reductions		
	GR	FED/Other	Total
Dental	(61,889)	(116,057)	(177,946)
Nursing Facilities	(1,136,505)	(2,354,690)	(3,491,195)
Home Health	(249,877)	(443,652)	(693,529)
Complex Rehab	(41,309)	(84,359)	(125,668)
Managed Care	(39,526,659)	(70,478,818)	(110,005,477)
Blind Medical	(211,629)	0	(211,629)
Total	(41,227,868)	(73,477,576)	(114,705,444)
Net Increase over FY19 Appropriated Amounts	40,851,789	62,985,167	103,836,956

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PSD	82,079,657		132,981,832		3,480,911		218,542,400		0
Grand Total	82,079,657	0.0	132,981,832	0.0	3,480,911	0.0	218,542,400	0.0	0

Department: Social Services
Division: MO HealthNet
DI Name: MO HealthNet Cost to Continue   **DI# 1886001**

Budget Unit: 90541C, 90544C, 90547C, 90567C, 90561C,
90550C, 90552C, 90574C, 90556C, 88855C
HB Section: 11.630, 11.645, 11.655, 11.665, 11.675,
11.695, 11.710, 11.725, 11.730

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an activity measure for the program.

Since this decision item is a combined request for the increase in authority of several programs, measures are found in the individual program descriptions.

6b. Provide a measure of the program's quality.

Since this decision item is a combined request for the increase in authority of several programs, measures are found in the individual program descriptions.

6c. Provide a measure of the program's impact.

Since this decision item is a combined request for the increase in authority of several programs, measures are found in the individual program descriptions.

6d. Provide a measure of the program's efficiency

Since this decision item is a combined request for the increase in authority of several programs, measures are found in the individual program descriptions.

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
PHARMACY								
MHD CTC - 1886001								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	40,094,958	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**40,094,958**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$40,094,958**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$17,030,022**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$23,064,936**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
PHYSICIAN RELATED PROF								
MHD CTC - 1886001								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	50,602,776	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**50,602,776**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$50,602,776**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$39,961,982**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$10,640,794**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
PREMIUM PAYMENTS								
MHD CTC - 1886001								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	3,431,573	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**3,431,573**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$3,431,573**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	$0	0.00	$0	0.00	$0	0.00		0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$3,431,573	0.00		0.00
OTHER FUNDS	$0	0.00	$0	0.00	$0	0.00		0.00

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
NURSING FACILITY FED REIMB AL								
MHD CTC - 1886001								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	2,156,898	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**2,156,898**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$2,156,898**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	$0	0.00	$0	0.00	$0	0.00		0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$0	0.00		0.00
OTHER FUNDS	$0	0.00	$0	0.00	$2,156,898	0.00		0.00

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
REHAB AND SPECIALTY SERVICES								
MHD CTC - 1886001								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	3,741,974	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**3,741,974**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$3,741,974**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$3,741,974**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
NON-EMERGENCY TRANSPORT								
MHD CTC - 1886001								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	1,658,920	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**1,658,920**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$1,658,920**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	$0	0.00	$0	0.00	$570,726	0.00		0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$1,088,194	0.00		0.00
OTHER FUNDS	$0	0.00	$0	0.00	$0	0.00		0.00

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
HOSPITAL CARE								
MHD CTC - 1886001								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	103,116,783	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**103,116,783**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$103,116,783**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$18,081,179**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$85,035,604**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
HEALTH HOMES								
MHD CTC - 1886001								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	6,248,527	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**6,248,527**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$6,248,527**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$791,374**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$4,133,140**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$1,324,013**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
CHILDREN'S HEALTH INS PROGRAM								
MHD CTC - 1886001								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	3,407,653	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**3,407,653**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$3,407,653**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$958,578**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$2,449,075**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
SHOW-ME BABIES								
MHD CTC - 1886001								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	4,082,338	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**4,082,338**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$4,082,338**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$943,822**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$3,138,516**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

NDI - Nursing Facility Capital Investment Cost to Continue

Department: Social Services   **Budget Unit: 90512C, 90549C**
Division: MO HealthNet
DI Name: Nursing Facilities Capital Investment CTC   **DI# 1886023**   **HB Section: 11.600, 11.660**

1. AMOUNT OF REQUEST

	FY 2021 Budget Request					FY 2021 Governor's Recommendation			
	GR	**Federal**	**Other**	**Total**		**GR**	**Federal**	**Other**	**Total**
PS					**PS**				0
EE	70,783	70,783		141,566	**EE**				0
PSD	7,839,256	14,941,331		22,780,587	**PSD**				0
TRF					**TRF**				0
Total	**7,910,039**	**15,012,114**	**0**	**22,922,153**	**Total**	**0**	**0**	**0**	**0**
FTE	**0.00**	**0.00**	**0.00**	**0.00**	**FTE**				**0.00**

Est. Fringe	*0*	*0*	*0*	*0*	***Est. Fringe***	*0*	*0*	*0*	*0*
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.					*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*				

Other Funds: N/A   Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

x	New Legislation		New Program		Fund Switch
	Federal Mandate		Program Expansion	**x**	Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan		Other:		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

SB 514 - 208.225.3 states that any enrolled MO HealthNet Division (MHD) intermediate care facility or skilled nursing facility that incurs total capital expenditures in excess of two thousand dollars per bed, shall be entitled to obtain a recalculation of its Medicaid per diem reimbursement by MHD. The rate is based on additional capital costs, or all capital costs incurred during the facility fiscal year in which the capital expenditures were made. Such recalculated reimbursement rate shall become effective and payable when granted by the MO HealthNet Division as of the date of application for a rate adjustment.

Department: Social Services   **Budget Unit: 90512C, 90549C**
Division: MO HealthNet
DI Name: Nursing Facilities Capital Investment CTC   **DI# 1886023**   **HB Section: 11.600, 11.660**

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4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

SB 514 - 208.225.3 states that any enrolled MO HealthNet Division (MHD) intermediate care facility or skilled nursing facility that incurs total capital expenditures in excess of two thousand dollars per bed, shall be entitled to obtain a recalculation of its Medicaid per diem reimbursement by MHD. The rate is based on additional capital costs, or all capital costs incurred during the facility fiscal year in which the capital expenditures were made. Such recalculated reimbursement rate shall become effective and payable when granted by the MO HealthNet Division as of the date of application for a rate adjustment.

This request is based on the anticipated cost in SFY 2020 related to rebasing the rate for all capital costs incurred during the facility fiscal year in which the capital expenditures were made. The number of qualifying facilities is based on historical experience of facilities that have incurred significant capital investments in excess of two thousand dollars per bed. The request also includes additional costs related to vendor services for cost report intake and rate setting analysis.

SFY	Qualifying Facilities	XIX Days	PPD Impact	Recalculate Total Rate Total	Federal	State	Split
FY20 Rate Adjustment	56	952,312	$11.65	11,094,435	7,276,618	3,817,817	65.588%
FY21 Rate Adjustment	56	966,597	$12.09	11,686,152	7,664,713	4,021,439	65.588%
FY21 Vendor Cost				141,566	70,783	70,783	50%
Total				**22,922,153**	**15,012,114**	**7,910,039**	

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5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total EE	70,783		70,783		0		141,566		0
Total PSD	7,839,256		14,941,331		0		22,780,587		0
Grand Total	**7,910,039**	**0.0**	**15,012,114**	**0.0**	**0**	**0.0**	**22,922,153**	**0.0**	**0**

Department: Social Services   **Budget Unit: 90512C, 90549C**
Division: MO HealthNet
DI Name: Nursing Facilities Capital Investment CTC   **DI# 1886023**   **HB Section: 11.600, 11.660**

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6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an activity measure for the program.
Since this decision item is a combined request for the increase in authority for several programs, measures are found in the individual program descriptions.

6b. Provide a measure of the program's quality.
Since this decision item is a combined request for the increase in authority for several programs, measures are found in the individual program descriptions.

6c. Provide a measure of the program's impact.
Since this decision item is a combined request for the increase in authority for several programs, measures are found in the individual program descriptions.

6d. Provide a measure of the program's efficiency
Since this decision item is a combined request for the increase in authority for several programs, measures are found in the individual program descriptions.

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7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
MO HEALTHNET ADMIN								
NF Capital Investment CTC - 1886023								
PROFESSIONAL SERVICES	0	0.00	0	0.00	141,566	0.00	0	0.00
TOTAL - EE	**0**	**0.00**	**0**	**0.00**	**141,566**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$141,566**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$70,783**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$70,783**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
NURSING FACILITIES								
NF Capital Investment CTC - 1886023								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	22,780,587	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**22,780,587**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$22,780,587**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$7,839,256**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$14,941,331**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

NDI - Managed Care Actuarial Rate Increase

	RANK:	**16**	OF	**36**

Department: Social Services   **Budget Unit: 90551C, 90556C, 88855C**
Division: MO HealthNet
DI Name: Managed Care Actuarial Increase   **DI# 1886004**   **HB Section: 11.690, 11.725, 11.730**

1. AMOUNT OF REQUEST

	FY 2021 Budget Request					FY 2021 Governor's Recommendation			
	GR	**Federal**	**Other**	**Total**		**GR**	**Federal**	**Other**	**Total**
PS					**PS**				0
EE					**EE**				0
PSD	21,103,266	42,166,456		63,269,722	**PSD**				0
TRF					**TRF**				0
Total	**21,103,266**	**42,166,456**	**0**	**63,269,722**	**Total**	**0**	**0**	**0**	**0**
FTE	**0.00**	**0.00**	**0.00**	**0.00**	**FTE**				**0.00**

Est. Fringe	0	0	0	0	**Est. Fringe**	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: N/A   Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program		Fund Switch
x	Federal Mandate		Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan		Other:		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

This NDI is needed to fund an increase for managed care medical, newborn delivery, and Neonatal Intensive Care Unit (NICU) services to ensure that managed care payments are actuarially sound. The FY21 rates are based on an estimated budget trend developed utilizing actuarial standards which consider historical trends in utilization and inflation, budget and legislative changes, and federal requirements.
MO HealthNet needs to maintain capitation rates at a sufficient level to ensure continued health plan and provider participation. The Federal Authority is Social Security Act Section 1915(b) and 1115 Waiver. The Federal Regulation is 42 CFR 438-Managed Care, and the State Authority is Section 208.166, RSMo. Final federal rules and regulations published June 14, 2002, effective August 13, 2003, require that capitation payments made on behalf of managed care participants be actuarially sound. Further, the state must provide the actuarial certification of the capitation rates to the CMS. The CMS Regional Office must review and approve all contracts for managed care as a condition for federal financial participation.

Department: Social Services   **Budget Unit: 90551C, 90556C, 88855C**
Division: MO HealthNet
DI Name: Managed Care Actuarial Increase   **DI# 1886004**   **HB Section: 11.690, 11.725, 11.730**

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

The chart below details the projected need for all medical services, as well as the births of children and Neonatal Intensive Care Unit (NICU) care for newborns in need of specialized care. Pharmacy benefits were carved out of managed care beginning October 1, 2009; therefore, participants receive their pharmacy benefits through the fee-for-service program. The FY21 rates are based on an estimated budget trend developed utilizing actuarial standards which consider historical trends in utilization and inflation, budget and legislative changes, and federal requirements.
The total cost is estimated at $63,269,722 as follows:

Program	Region	FY20	FY21	Difference	Participants	Contract Months in FY21	Total
Medical-Managed Care	Eastern	$223.71	$228.39	$4.68	188,612	12	$10,594,658
Medical-Managed Care	Central	$230.08	$234.03	$3.95	159,186	12	$7,551,821
Medical-Managed Care	Western	$254.33	$263.55	$9.22	126,761	12	$14,032,100
Medical-Managed Care	SW	$194.51	$207.28	$12.77	110,100	12	$16,869,660
						subtotal Managed Care	$49,048,239
Medical TIXXI CHIP-Child	Eastern	$190.45	$198.64	$8.19	7,808	12	$767,332
Medical TIXXI CHIP-Child	Central	$179.12	$189.87	$10.75	7,918	12	$1,021,187
Medical TIXXI CHIP-Child	Western	$253.25	$269.71	$16.46	5,802	12	$1,146,031
Medical TIXXI CHIP-Child	SW	$150.15	$188.59	$38.44	5,704	12	$2,630,985
						subtotal TIXXI CHIP Children	$5,565,535
Medical Prenatal Services for Unborn-Show Me Healthy Babies	Eastern	$573.05	$547.26	-$25.79	361	12	-$111,667
Medical Prenatal Services for Unborn-Show Me Healthy Babies	Central	$538.78	$532.31	-$6.47	244	12	-$18,921
Medical Prenatal Services for Unborn-Show Me Healthy Babies	Western	$511.62	$524.92	$13.30	355	12	$56,634
Medical Prenatal Services for Unborn-Show Me Healthy Babies	SW	$443.41	$452.28	$8.87	253	12	$26,940
Medical First Year following birth-Show Me Healthy Babies	Eastern	$746.02	$746.77	$0.75	581	12	$5,204
Medical First Year following birth-Show Me Healthy Babies	Central	$550.94	$530.00	-$20.94	356	12	-$89,555
Medical First Year following birth-Show Me Healthy Babies	Western	$654.80	$660.04	$5.24	580	12	$36,450
Medical First Year following birth-Show Me Healthy Babies	SW	$501.20	$547.82	$46.61	379	12	$211,880
						subtotal SMHB	$116,965
						Total Need Medical Trend	$54,730,739

Department: Social Services   **Budget Unit: 90551C, 90556C, 88855C**

Division: MO HealthNet

DI Name: Managed Care Actuarial Increase   **DI# 1886004**   **HB Section: 11.690, 11.725, 11.730**

Program	Region	FY20	FY21	Difference	Participants	Contract Months in FY20	Total
Deliveries-Managed Care, CHIP, SMHB	Eastern	$6,626.76	$6,918.34	$291.58	750	12	$2,624,197
Deliveries-Managed Care, CHIP, SMHB	Central	$5,208.69	$5,495.17	$286.48	631	12	$2,169,211
Deliveries-Managed Care, CHIP, SMHB	Western	$4,751.07	$5,268.94	$517.87	468	12	$2,908,339
Deliveries-Managed Care, CHIP, SMHB	SW	$5,156.75	$5,280.51	$123.76	528	12	$784,156
				subtotal Managed Care, SMHB and CHIP Deliveries			$8,485,903
				Total Need Deliveries Trend			$8,485,903
NICU-Managed Care, CHIP, SMHB	Eastern	$248,034.79	$248,282.82	$248.03	18	12	$53,576
NICU-Managed Care, CHIP, SMHB	Central	$173,722.76	$167,121.30	-$6,601.46	9	12	-$712,958
NICU-Managed Care, CHIP, SMHB	Western	$158,842.50	$160,113.24	$1,270.74	8	12	$121,991
NICU-Managed Care, CHIP, SMHB	SW	$132,273.89	$144,575.36	$12,301.47	4	12	$590,471
				subtotal Managed Care, SMHB and CHIP NICU			$53,080
				Total Need NICU Trend			$53,080
				Total Need Medical, Deliveries and NICU			**$63,269,722**

	FMAP	Total	GR	Federal
Managed Care	65.65%	57,160,273	19,634,554	37,525,719
CHIP	75.96%	5,565,535	1,337,955	4,227,580
SMHB	75.96%	543,914	130,757	413,157
		$63,269,722	$21,103,266	$42,166,456

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PSD	21,103,266		42,166,456		0		63,269,722		0
Grand Total	21,103,266	0.0	42,166,456	0.0	0	0.0	63,269,722	0.0	0

Department: Social Services   **Budget Unit: 90551C, 90556C, 88855C**
Division: MO HealthNet
DI Name: Managed Care Actuarial Increase   **DI# 1886004**   **HB Section: 11.690, 11.725, 11.730**

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6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an activity measure for the program.
Historical managed care actuarial percentage increases:
SFY 16: 3.3%
SFY 17: 3.6%
SFY 18: 1.3%
SFY 19: 1.9%
SFY 20: 7.6%
SFY 21: 3.4%

6b. Provide a measure of the program's quality.
Since this decision item is a combined request for the increase in authority of several programs, measures are found in the individual program descriptions.

6c. Provide a measure of the program's impact.
Since this decision item is a combined request for the increase in authority of several programs, measures are found in the individual program descriptions.

6d. Provide a measure of the program's efficiency
Since this decision item is a combined request for the increase in authority of several programs, measures are found in the individual program descriptions.

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7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

• Participate in the Statewide Coalition, consisting of leaders from Missouri Hospital Association and the Family and Community Trust to provide outreach and enrollment.
• Continue to work with community groups, local medical providers, health care associations, schools, etc., regarding access to MO HealthNet coverage.

• Continue to work with MO HealthNet managed care health plans to provide outreach and education to communities regarding access to MO HealthNet coverage.

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
MANAGED CARE								
MC Actuarial Increase - 1886004								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	57,160,273	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**57,160,273**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$57,160,273**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$19,634,554**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$37,525,719**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
CHILDREN'S HEALTH INS PROGRAM								
MC Actuarial Increase - 1886004								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	5,565,535	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**5,565,535**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$5,565,535**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$1,337,955**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$4,227,580**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
SHOW-ME BABIES								
MC Actuarial Increase - 1886004								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	543,914	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**543,914**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$543,914**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	$0	0.00	$0	0.00	$130,757	0.00		0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$413,157	0.00		0.00
OTHER FUNDS	$0	0.00	$0	0.00	$0	0.00		0.00

NDI - Managed Care Health Insurer Fee

Department: Social Services   **Budget Unit: 90551C, 90556C, 88855C**
Division: MO HealthNet
DI Name: Managed Care Health Insurer Fee   DI# 1886005   **HB Section: 11.690, 11.725, 11.730.**

1. AMOUNT OF REQUEST

	FY 2021 Budget Request					**FY 2021 Governor's Recommendation**			
	GR	**Federal**	**Other**	**Total**		**GR**	**Federal**	**Other**	**Total**
PS					**PS**				0
EE					**EE**				0
PSD	20,726,253	40,273,747		61,000,000	**PSD**				0
TRF					**TRF**				0
Total	**20,726,253**	**40,273,747**	**0**	**61,000,000**	**Total**	**0**	**0**	**0**	**0**
FTE	**0.00**	**0.00**	**0.00**	**0.00**	**FTE**				**0.00**

Est. Fringe	0	0	0	0	**Est. Fringe**	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: N/A   Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program		Fund Switch
x	Federal Mandate		Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan		Other:		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

Funding is needed to reimburse Managed Care Organizations for the Federal Mandated Affordable Care Act (ACA) Health Insurer Fee. In Calendar Year (CY) 2019, there was a Federal moratorium for the Health Insurer Fee.

Department: Social Services   Budget Unit: 90551C, 90556C, 88855C
Division: MO HealthNet
DI Name: Managed Care Health Insurer Fee   DI# 1886005   HB Section: 11.690, 11.725, 11.730.

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

Funding is needed to reimburse Managed Care Organizations for the Federal Mandated Affordable Care Act (ACA) Health Insurer Fee. In Calendar Year (CY) 2019, there was a Federal moratorium for the Health Insurer Fee. The estimated cost for SFY 2021 is $61,000,000 which reflects the projected CY 2020 payment.

	Total	Managed Care	CHIP	Show Me Healthy Babies
Projected SFY 20 Health Insurer Fee (annual)	$ 61,000,000	$ 58,795,863	$ 1,469,893	$ 734,244

	Total	GR	Federal
Managed Care	58,795,863	20,196,379	38,599,484
CHIP	1,469,893	353,362	1,116,531
SMHB	734,244	176,512	557,732
	$61,000,000	**$20,726,253**	**$40,273,747**

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PSD	20,726,253		40,273,747			0	61,000,000		0
Grand Total	20,726,253	0.0	40,273,747	0.0	0	0.0	61,000,000	0.0	0

Department: Social Services   **Budget Unit: 90551C, 90556C, 88855C**
Division: MO HealthNet
DI Name: Managed Care Health Insurer Fee   **DI# 1886005**   **HB Section: 11.690, 11.725, 11.730.**

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6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an activity measure for the program.
Since this decision item is a combined request for the increase in authority for several programs, measures are found in the individual program descriptions.

6b. Provide a measure of the program's quality.
Since this decision item is a combined request for the increase in authority for several programs, measures are found in the individual program descriptions.

6c. Provide a measure of the program's impact.
Since this decision item is a combined request for the increase in authority for several programs, measures are found in the individual program descriptions.

6d. Provide a measure of the program's efficiency
Since this decision item is a combined request for the increase in authority for several programs, measures are found in the individual program descriptions.

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7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
MANAGED CARE								
MC Health Insurer Fee - 1886005								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	58,795,863	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**58,795,863**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$58,795,863**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$20,196,379**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$38,599,484**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
CHILDREN'S HEALTH INS PROGRAM								
MC Health Insurer Fee - 1886005								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	1,469,893	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**1,469,893**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$1,469,893**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$353,362**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$1,116,531**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
SHOW-ME BABIES								
MC Health Insurer Fee - 1886005								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	734,244	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**734,244**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$734,244**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$176,512**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$557,732**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

NDI - Asset Limit FY20 Cost to Continue

NEW DECISION ITEM

RANK: __8__ OF __36__

Department: Social Services | Budget Unit: 90544C, 90541C, 90546C, 90550C, 90561C,
Division: MO HealthNet | 90577C, 90564C, 90552C
DI Name: Asset Limit CTC | DI# 1886020 | HB Section: 11.645, 11.630, 11.650, 11.675, 11.685, 11.660, 11.695

1. AMOUNT OF REQUEST

	FY 2021 Budget Request						FY 2021 Governor's Recommendation			
	GR	Federal	Other	Total			GR	Federal	Other	Total
PS						PS				0
EE						EE				0
PSD	1,688,364	3,998,976	404,017	6,091,357		PSD				0
TRF						TRF				0
Total	1,688,364	3,998,976	404,017	6,091,357		Total	0	0	0	0
FTE	0.00	0.00	0.00	0.00		FTE				0.00
Est. Fringe	0	0	0	0		Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:
Federal Reimbursement Allowance Fund (0142) - $301,009
Ambulance Reimbursement Allowance Fund (0958) - $103,008

Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation	New Program	Fund Switch
	Federal Mandate	Program Expansion	x Cost to Continue
	GR Pick-Up	Space Request	Equipment Replacement
	Pay Plan	Other:	

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

This request funds additional costs associated with individuals and couples who will become eligible for full Medicaid benefits as a result of HB 1565 (2016). This bill raises the MO HealthNet asset limits for MO HealthNet eligibility for permanent and totally disabled claimants, MO HealthNet blind claimants, and MO HealthNet aged claimants from $3,000 to $4,000 for individuals and $6,000 to $8,000 for married couples in 2020. Participants eligible under the SFY20 Asset Limit increase were assumed to be phased in during SFY20.

This request is for the cost to continue services for SFY21 at an annual level for those participants enrolled in SFY20.

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Department: Social Services	Budget Unit: 90544C, 90541C, 90546C, 90550C, 90561C,
Division: MO HealthNet	90577C, 90564C, 90552C
DI Name: Asset Limit CTC DI# 1886020	HB Section: 11.645, 11.630, 11.650, 11.675, 11.685,
	11.660, 11.695

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

The MO HealthNet Division (MHD) estimates a fiscal impact because of changes to the resource limits for aged, blind, and disabled persons to be eligible for MO HealthNet benefits. Higher cost will result from one group of Medicaid eligibles who currently receive limited medical benefits, but will receive full Medicaid benefits under this legislation. New eligibles are also expected to enter the Medicaid program because of the change in eligibility rules.

FSD estimated 1,958 new cases in SFY 20.

This bill raised the MHD asset limits for MHD claimants from $3,000 to $4,000 for individuals and $6,000 to $8,000 for married couples in 2020. The estimated costs shown below are based on a FY19 expenditures trend for the new Asset Limit population.

HB	Program	GR	Fed	Other*	Total
11.645	Physician	$357,990	$684,194		$1,042,184
11.630	Pharmacy	$364,175	$696,014		$1,060,189
11.650	Dental	$8,687	$16,603		$25,290
11.675	Rehab	$360,732	$886,305	$103,008	$1,350,045
11.675	NEMT	$32,094	$61,337		$93,431
11.685	Complex Rehab	$3,023	$5,777		$8,800
11.660	Home Health	$2,647	$5,060		$7,707
11.695	Hospital	$559,016	$1,643,686	$301,009	$2,503,711
	MHD Total	$1,688,364	$3,998,976	$404,017	$6,091,357

Other funds include Federal Reimbursement Allowance Fund and Ambulance Reimbursement Allowance Fund.

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PSD	1,688,364		3,998,976		404,017		6,091,357		0
Grand Total	1,688,364	0.0	3,998,976	0.0	404,017	0.0	6,091,357	0.0	0

Department: Social Services	**Budget Unit: 90544C, 90541C, 90546C, 90550C, 90561C,**
Division: MO HealthNet	**90577C, 90564C, 90552C**
DI Name: Asset Limit CTC **DI# 1886020**	**HB Section: 11.645, 11.630, 11.650, 11.675, 11.685,**
	11.660, 11.695

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an activity measure for the program.

Since this decision item is a combined request for the increase in authority for several programs, measures are found in the individual program descriptions.

6b. Provide a measure of the program's quality.

Since this decision item is a combined request for the increase in authority for several programs, measures are found in the individual program descriptions.

6c. Provide a measure of the program's impact.

Since this decision item is a combined request for the increase in authority for several programs, measures are found in the individual program descriptions.

6d. Provide a measure of the program's efficiency

Since this decision item is a combined request for the increase in authority for several programs, measures are found in the individual program descriptions.

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
PHARMACY								
Asset Limit CTC - 1886020								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	1,060,189	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**1,060,189**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$1,060,189**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$364,175**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$696,014**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
PHYSICIAN RELATED PROF								
Asset Limit CTC - 1886020								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	1,042,184	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**1,042,184**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$1,042,184**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$357,990**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$684,194**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
DENTAL								
Asset Limit CTC - 1886020								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	25,290	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**25,290**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$25,290**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$8,687**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$16,603**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
HOME HEALTH								
Asset Limit CTC - 1886020								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	7,707	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**7,707**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$7,707**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$2,647**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$5,060**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
REHAB AND SPECIALTY SERVICES								
Asset Limit CTC - 1886020								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	1,350,045	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**1,350,045**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$1,350,045**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$360,732**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$886,305**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$103,008**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
NON-EMERGENCY TRANSPORT								
Asset Limit CTC - 1886020								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	93,431	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**93,431**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$93,431**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$32,094**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$61,337**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
COMPLEX REHAB TECHNLGY PRDUCTS								
Asset Limit CTC - 1886020								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	8,800	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**8,800**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$8,800**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$3,023**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$5,777**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
HOSPITAL CARE								
Asset Limit CTC - 1886020								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	2,503,711	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**2,503,711**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$2,503,711**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$559,016**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$1,643,686**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$301,009**	**0.00**		**0.00**

NDI - Asset Limit FY21 Phase In

Department: Social Services

Division: MO HealthNet

DI Name: Asset Limit Phase-In

DI# 1886021

Budget Unit: 90544C, 90541C, 90546C, 90550C, 90561C, 90577C, 90564C, 90552C

HB Section: 11.645, 11.630, 11.650, 11.675, 11.685, 11.660, 11.695

1. AMOUNT OF REQUEST

	FY 2021 Budget Request						FY 2021 Governor's Recommendation			
	GR	**Federal**	**Other**	**Total**			**GR**	**Federal**	**Other**	**Total**
PS						**PS**				0
EE						**EE**				0
PSD	692,227	1,991,124	349,587	3,032,938		**PSD**				0
TRF						**TRF**				0
Total	**692,227**	**1,991,124**	**349,587**	**3,032,938**		**Total**	**0**	**0**	**0**	**0**
FTE	**0.00**	**0.00**	**0.00**	**0.00**		**FTE**				**0.00**
Est. Fringe	*0*	*0*	*0*	*0*		***Est. Fringe***	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

Federal Reimbursement Allowance Fund (0142): $149,875

Ambulance Reimbursement Allowance Fund (0958): $67,743

Pharmacy Reimbursement Allowance Fund (0144): $131,969

Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program		Fund Switch
	Federal Mandate	**x**	Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan		Other:		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

This request funds services additional costs associated with individuals and couples who will become eligible for full Medicaid benefits as a result of HB 1565 (2016). This legislation raised the MO HealthNet asset limits for MO HealthNet eligibility for claimants from $3,000 to $4,000 for individuals and $6,000 to $8,000 for married couples in SFY 2020, FSD estimates 1,151 new participants will be added in FY21 due to this asset limit increase.

Department: Social Services	**Budget Unit: 90544C, 90541C, 90546C, 90550C, 90561C,**
Division: MO HealthNet	**90577C, 90564C, 90552C**
DI Name: Asset Limit Phase-In **DI# 1886021**	**HB Section: 11.645, 11.630, 11.650, 11.675, 11.685,**
	11.660, 11.695

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

The MO HealthNet Division (MHD) estimates a fiscal impact because of changes to the resource limits for blind, elderly, and disabled persons to be eligible for MO HealthNet benefits. Higher cost will result from one group of Medicaid eligibles who currently receive limited medical benefits, but will receive full Medicaid benefits under this legislation. New eligibles are also expected to enter the Medicaid program because of the change in eligibility rules.

This legislation raised the MHD asset limits for MHD claimants from $4,000 to $5,000 for individuals and $8,000 to $10,000 for married couples in SFY 2020.

FSD estimates 1,151 new participants will be added in FY21 due to this asset limit increase.

HB	Program	GR	Fed	Other*	Total
11.630	Pharmacy	$49,357	$346,551	$131,969	$527,877
11.645	Physician	$178,246	$340,666		$518,912
11.650	Dental	$4,325	$8,267		$12,592
11.660	Home Health	$1,318	$2,519		$3,837
11.675	Rehab	$163,157	$441,299	$67,743	$672,199
11.675	NEMT	$15,980	$30,540		$46,520
11.675	Complex Rehab	$1,505	$2,877		$4,382
11.695	Hospital	$278,339	$818,405	$149,875	$1,246,619
	MHD Total	**$692,227**	**$1,991,124**	**$349,587**	**$3,032,938**

Other funds include Federal Reimbursement Allowance Fund, Pharmacy Reimbursement Allowance Fund, & Ambulance Reimbursement Allowance Fund.

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PSD	692,227		1,991,124		349,587		3,032,938		0
Grand Total	692,227	0.0	1,991,124	0.0	349,587	0.0	3,032,938	0.0	0

Department: Social Services   **Budget Unit: 90544C, 90541C, 90546C, 90550C, 90561C,**

Division: MO HealthNet   **90577C, 90564C, 90552C**

DI Name: Asset Limit Phase-In   **DI# 1886021**   **HB Section: 11.645, 11.630, 11.650, 11.675, 11.685,**

                                                                            11.660, 11.695

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6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an activity measure for the program.

Since this decision item is a combined request for the increase in authority for several programs, measures are found in the individual program descriptions.

6b. Provide a measure of the program's quality.

Since this decision item is a combined request for the increase in authority for several programs, measures are found in the individual program descriptions.

6c. Provide a measure of the program's impact.

Since this decision item is a combined request for the increase in authority for several programs, measures are found in the individual program descriptions.

6d. Provide a measure of the program's efficiency

Since this decision item is a combined request for the increase in authority for several programs, measures are found in the individual program descriptions.

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7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

Budget Unit	FY 2019	FY 2019	FY 2020	FY 2020	FY 2021	FY 2021	*************	*************
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
PHARMACY								
Asset Limit Phase-In - 1886021								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	527,877	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**527,877**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$527,877**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$49,357**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$346,551**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$131,969**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
PHYSICIAN RELATED PROF								
Asset Limit Phase-In - 1886021								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	518,912	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**518,912**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$518,912**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	$0	0.00	$0	0.00	$178,246	0.00		0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$340,666	0.00		0.00
OTHER FUNDS	$0	0.00	$0	0.00	$0	0.00		0.00

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
DENTAL								
Asset Limit Phase-In - 1886021								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	12,592	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**12,592**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$12,592**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$4,325**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$8,267**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
HOME HEALTH								
Asset Limit Phase-In - 1886021								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	3,837	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**3,837**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$3,837**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$1,318**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$2,519**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
REHAB AND SPECIALTY SERVICES								
Asset Limit Phase-In - 1886021								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	672,199	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**672,199**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$672,199**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$163,157**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$441,299**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$67,743**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
NON-EMERGENCY TRANSPORT								
Asset Limit Phase-In - 1886021								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	46,520	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**46,520**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$46,520**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$15,980**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$30,540**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
COMPLEX REHAB TECHNLGY PRDUCTS								
Asset Limit Phase-In - 1886021								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	4,382	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**4,382**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$4,382**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$1,505**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$2,877**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
HOSPITAL CARE								
Asset Limit Phase-In - 1886021								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	1,246,619	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**1,246,619**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$1,246,619**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$278,339**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$818,405**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$149,875**	**0.00**		**0.00**

Core - MO HealthNet Administration

CORE DECISION ITEM

Department: Social Services   **Budget Unit: 90512C**
Division: MO HealthNet
Core: MO HealthNet Administration   **HB Section: 11.600**

1. CORE FINANCIAL SUMMARY

	FY 2021 Budget Request					FY 2021 Governor's Recommendation			
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS	3,192,786	6,190,001	1,948,320	11,331,107	PS				0
EE	8,843,305	15,479,446	1,385,162	25,707,913	EE				0
PSD					PSD				0
TRF					TRF				0
Total	12,036,091	21,669,447	3,333,482	37,039,020	Total	0	0	0	0
FTE	70.12	122.97	45.61	238.70	FTE				0.00

Est. Fringe	0	0	0	0	*Est. Fringe*	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

Pharmacy Reimbursement Allowance Fund (0144) - $27,714
Health Initiatives Fund (HIF) (0275) - $489,064
Nursing Facility Quality of Care Fund (NFQC) (0271) - $99,469
Third Party Liability Collections Fund (TPL) (0120) - $904,484
MO Rx Plan Fund (0779) - $367,071
Federal Reimbursement Allowance Fund (FRA) (0142) - $335,426
Ambulance Service Reimbursement Allowance Fund (0958) - $147,549
Ground Emergency Medical Transportation Fund (GEMT) (0422) - $471,572
Pharmacy Rebates Fund (0114) - $488,133
Life Sciences Research Fund (0763) - $3,000

Other Funds:

2. CORE DESCRIPTION

The MO HealthNet Administration appropriation provides funding for the salaries and associated expense and equipment for the Central Office management and support staff. Funding from this appropriation is also used to support ongoing expense and equipment costs. MO HealthNet Division staff assist participants and providers.

3. PROGRAM LISTING (list programs included in this core funding)

 MO HealthNet Administration

CORE DECISION ITEM

Department: Social Services　　　　　　　　　　　　　　　　　　**Budget Unit: 90512C**
Division: MO HealthNet
Core: MO HealthNet Administration　　　　　　　　　　　　　　**HB Section: 11.600**

4. FINANCIAL HISTORY

	FY2017 Actual	FY2018 Actual	FY2019 Actual	FY2020 Current Yr.
Appropriation (All Funds)	14,644,054	14,722,190	31,936,366	36,929,112
Less Reverted (All Funds)	(115,163)	(114,500)	(372,313)	N/A
Less Restricted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	14,528,891	14,607,690	31,564,053	36,929,112
Actual Expenditures (All Funds)	13,044,554	13,014,924	27,737,267	N/A
Unexpended (All Funds)	1,484,337	1,592,766	3,826,786	N/A
Unexpended, by Fund:				
General Revenue	0	0	18,334	N/A
Federal	1,123,742	1,067,695	3,450,143	N/A
Other	274,615	525,071	358,309	N/A
	(1)	(2)	(3)	
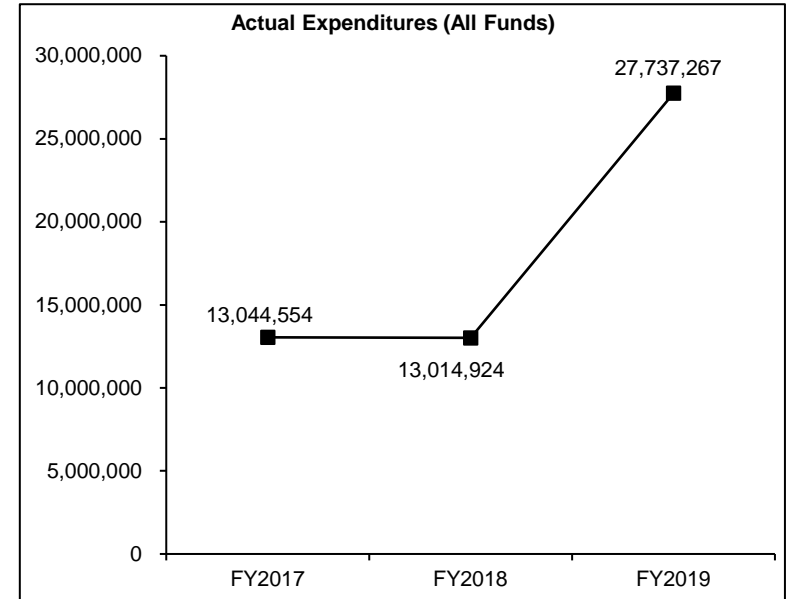
Actual Expenditures (All Funds)

Reverted includes statutory reserve amounts (when applicable).
Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:
(1) FY17 - There were agency reserves of $60,000 Federal and $26,958 Pharmacy Reimbursement Allowance Fund.
(2) FY18 - There were agency reserves of $202,572 Federal and $525,754 Other Funds
(3) FY19 - Funding was reallocated from various program lines to the MHD Administration section to pay for contract expenditures.

DEPARTMENT OF SOCIAL SERVICES
MO HEALTHNET ADMIN

5. CORE RECONCILIATION DETAIL

			Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES									
			PS	238.70	3,192,786	6,190,001	1,948,320	11,331,107	
			EE	0.00	8,851,432	15,486,409	1,260,162	25,598,003	
			PD	0.00	1	1	0	2	
			Total	**238.70**	**12,044,219**	**21,676,411**	**3,208,482**	**36,929,112**	
DEPARTMENT CORE ADJUSTMENTS									
Core Reduction	783	0215	EE	0.00	0	(8,142)	0	(8,142)	Core Reduction of one-time funding added in FY20.
Core Reduction	783	6377	EE	0.00	(8,142)	0	0	(8,142)	Core Reduction of one-time funding added in FY20.
Core Reallocation	597	7367	EE	0.00	0	0	125,000	125,000	Core Reallocation from Rehab to Admin for Center for Patient Safety contract.
Core Reallocation	672	6377	EE	0.00	14	0	0	14	Reallocation of mileage reimbursement
Core Reallocation	672	0215	EE	0.00	0	1,178	0	1,178	Reallocation of mileage reimbursement
Core Reallocation	715	6377	EE	0.00	1	0	0	1	Core reallocations will more closely align the budget with planned expenditures
Core Reallocation	715	0215	EE	0.00	0	1	0	1	Core reallocations will more closely align the budget with planned expenditures
Core Reallocation	715	0215	PD	0.00	0	(1)	0	(1)	Core reallocations will more closely align the budget with planned expenditures

DEPARTMENT OF SOCIAL SERVICES
MO HEALTHNET ADMIN

5. CORE RECONCILIATION DETAIL

			Budget Class	FTE	GR	Federal	Other	Total	Explanation
DEPARTMENT CORE ADJUSTMENTS									
Core Reallocation	715	6377	PD	0.00	(1)	0	0	(1)	Core reallocations will more closely align the budget with planned expenditures
Core Reallocation	721	6376	PS	0.00	0	0	0	0	Core reallocations will more closely align the budget with planned expenditures
Core Reallocation	721	3100	PS	0.00	0	0	0	0	Core reallocations will more closely align the budget with planned expenditures
Core Reallocation	721	2849	PS	(0.00)	0	0	0	0	Core reallocations will more closely align the budget with planned expenditures
Core Reallocation	721	2382	PS	0.00	0	0	0	(0)	Core reallocations will more closely align the budget with planned expenditures
Core Reallocation	721	6378	PS	(0.00)	0	0	0	0	Core reallocations will more closely align the budget with planned expenditures
Core Reallocation	721	1753	PS	(0.00)	0	0	0	0	Core reallocations will more closely align the budget with planned expenditures
Core Reallocation	721	7366	PS	0.00	0	0	0	0	Core reallocations will more closely align the budget with planned expenditures
Core Reallocation	721	1670	PS	(0.00)	0	0	0	(0)	Core reallocations will more closely align the budget with planned expenditures

DEPARTMENT OF SOCIAL SERVICES
MO HEALTHNET ADMIN

5. CORE RECONCILIATION DETAIL

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
DEPARTMENT CORE ADJUSTMENTS								
Core Reallocation	721 6889	PS	0.00	0	0	0	(0)	Core reallocations will more closely align the budget with planned expenditures
Core Reallocation	721 6884	PS	(0.00)	0	0	0	0	Core reallocations will more closely align the budget with planned expenditures
Core Reallocation	721 1387	PS	0.00	0	0	0	(0)	Core reallocations will more closely align the budget with planned expenditures
NET DEPARTMENT CHANGES			**0.00**	**(8,128)**	**(6,964)**	**125,000**	**109,908**	
DEPARTMENT CORE REQUEST								
		PS	238.70	3,192,786	6,190,001	1,948,320	11,331,107	
		EE	0.00	8,843,305	15,479,446	1,385,162	25,707,913	
		PD	0.00	0	0	0	0	
		Total	**238.70**	**12,036,091**	**21,669,447**	**3,333,482**	**37,039,020**	
GOVERNOR'S RECOMMENDED CORE								
		PS	238.70	3,192,786	6,190,001	1,948,320	11,331,107	
		EE	0.00	8,843,305	15,479,446	1,385,162	25,707,913	
		PD	0.00	0	0	0	0	
		Total	**238.70**	**12,036,091**	**21,669,447**	**3,333,482**	**37,039,020**	

Budget Unit Decision Item Budget Object Summary Fund	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
MO HEALTHNET ADMIN								
CORE								
PERSONAL SERVICES								
GENERAL REVENUE	2,863,779	60.53	3,192,786	70.12	3,192,786	70.12	0	0.00
DEPT OF SOC SERV FEDERAL & OTH	4,631,507	98.41	6,190,001	122.97	6,190,001	122.97	0	0.00
PHARMACY REBATES	404,998	9.01	432,580	9.04	432,580	9.04	0	0.00
THIRD PARTY LIABILITY COLLECT	392,338	8.30	416,443	12.30	416,443	12.30	0	0.00
FEDERAL REIMBURSMENT ALLOWANCE	98,453	2.06	102,718	2.01	102,718	2.01	0	0.00
PHARMACY REIMBURSEMENT ALLOWAN	26,778	0.55	27,358	0.50	27,358	0.50	0	0.00
NURSING FAC QUALITY OF CARE	86,952	1.80	89,188	2.45	89,188	2.45	0	0.00
HEALTH INITIATIVES	420,972	8.79	447,679	9.85	447,679	9.85	0	0.00
GROUND EMERG MEDICAL TRANSPRT	8,642	0.16	46,200	1.00	46,200	1.00	0	0.00
MISSOURI RX PLAN FUND	358,662	7.98	367,071	7.96	367,071	7.96	0	0.00
AMBULANCE SERVICE REIMB ALLOW	18,591	0.29	19,083	0.50	19,083	0.50	0	0.00
TOTAL - PS	9,311,672	197.88	11,331,107	238.70	11,331,107	238.70	0	0.00
EXPENSE & EQUIPMENT								
GENERAL REVENUE	8,517,533	0.00	8,851,432	0.00	8,843,305	0.00	0	0.00
DEPT OF SOC SERV FEDERAL & OTH	9,247,818	0.00	15,486,409	0.00	15,479,446	0.00	0	0.00
PHARMACY REBATES	0	0.00	55,553	0.00	55,553	0.00	0	0.00
THIRD PARTY LIABILITY COLLECT	250,471	0.00	488,041	0.00	488,041	0.00	0	0.00
FEDERAL REIMBURSMENT ALLOWANCE	7,708	0.00	232,708	0.00	232,708	0.00	0	0.00
PHARMACY REIMBURSEMENT ALLOWAN	0	0.00	356	0.00	356	0.00	0	0.00
NURSING FAC QUALITY OF CARE	10,282	0.00	10,281	0.00	10,281	0.00	0	0.00
HEALTH INITIATIVES	40,143	0.00	41,385	0.00	41,385	0.00	0	0.00
GROUND EMERG MEDICAL TRANSPRT	372	0.00	425,372	0.00	425,372	0.00	0	0.00
LIFE SCIENCES RESEARCH TRUST	0	0.00	3,000	0.00	3,000	0.00	0	0.00
AMBULANCE SERVICE REIMB ALLOW	3,466	0.00	3,466	0.00	128,466	0.00	0	0.00
TOTAL - EE	18,077,793	0.00	25,598,003	0.00	25,707,913	0.00	0	0.00
PROGRAM-SPECIFIC								
GENERAL REVENUE	177,321	0.00	1	0.00	0	0.00	0	0.00
DEPT OF SOC SERV FEDERAL & OTH	170,481	0.00	1	0.00	0	0.00	0	0.00
TOTAL - PD	347,802	0.00	2	0.00	0	0.00	0	0.00
TOTAL	**27,737,267**	**197.88**	**36,929,112**	**238.70**	**37,039,020**	**238.70**	**0**	**0.00**

Budget Unit								
Decision Item	FY 2019	FY 2019	FY 2020	FY 2020	FY 2021	FY 2021	*************	*************
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN

MO HEALTHNET ADMIN

Pay Plan FY20-Cost to Continue - 0000013

PERSONAL SERVICES

GENERAL REVENUE	0	0.00	0	0.00	65,937	0.00	0	0.00
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	78,685	0.00	0	0.00
PHARMACY REBATES	0	0.00	0	0.00	6,392	0.00	0	0.00
THIRD PARTY LIABILITY COLLECT	0	0.00	0	0.00	6,107	0.00	0	0.00
FEDERAL REIMBURSMENT ALLOWANCE	0	0.00	0	0.00	1,489	0.00	0	0.00
PHARMACY REIMBURSEMENT ALLOWAN	0	0.00	0	0.00	406	0.00	0	0.00
NURSING FAC QUALITY OF CARE	0	0.00	0	0.00	1,318	0.00	0	0.00
HEALTH INITIATIVES	0	0.00	0	0.00	6,565	0.00	0	0.00
GROUND EMERG MEDICAL TRANSPRT	0	0.00	0	0.00	683	0.00	0	0.00
MISSOURI RX PLAN FUND	0	0.00	0	0.00	5,423	0.00	0	0.00
AMBULANCE SERVICE REIMB ALLOW	0	0.00	0	0.00	282	0.00	0	0.00
TOTAL - PS	0	0.00	0	0.00	173,287	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**173,287**	**0.00**	**0**	**0.00**

NF Capital Investment CTC - 1886023

EXPENSE & EQUIPMENT

GENERAL REVENUE	0	0.00	0	0.00	70,783	0.00	0	0.00
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	70,783	0.00	0	0.00
TOTAL - EE	0	0.00	0	0.00	141,566	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**141,566**	**0.00**	**0**	**0.00**

MOM Grant - 1886024

EXPENSE & EQUIPMENT

DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	750,000	0.00	0	0.00
TOTAL - EE	0	0.00	0	0.00	750,000	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**750,000**	**0.00**	**0**	**0.00**

CBIZ-Cost to Continue - 0000014

PERSONAL SERVICES

GENERAL REVENUE	0	0.00	0	0.00	47,504	0.00	0	0.00
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	29,113	0.00	0	0.00

Budget Unit Decision Item Budget Object Summary Fund	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
MO HEALTHNET ADMIN								
CBIZ-Cost to Continue - 0000014								
PERSONAL SERVICES								
THIRD PARTY LIABILITY COLLECT	0	0.00	0	0.00	3,202	0.00	0	0.00
FEDERAL REIMBURSMENT ALLOWANCE	0	0.00	0	0.00	1,984	0.00	0	0.00
HEALTH INITIATIVES	0	0.00	0	0.00	3,452	0.00	0	0.00
TOTAL - PS	0	0.00	0	0.00	85,255	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**85,255**	**0.00**	**0**	**0.00**
Mileage Reimbursement - 0000015								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	0	0.00	0	0.00	726	0.00	0	0.00
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	913	0.00	0	0.00
TOTAL - EE	0	0.00	0	0.00	1,639	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**1,639**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$27,737,267**	**197.88**	**$36,929,112**	**238.70**	**$38,190,767**	**238.70**	**$0**	**0.00**

FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: 90512C **BUDGET UNIT NAME: MO HealthNet Administration** **HOUSE BILL SECTION: 11.600**	**DEPARTMENT:** Social Services **DIVISION:** MO HealthNet

1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

DEPARTMENT REQUEST

Total	**% Flex**	**Flex Amount**	
$38,190,767	0.25%	$95,477	Not more than one quarter of one percent (.25%) flexibility is requested between sections 11.600, 11.615, 11.630, 11.645, 11.660, 11.675, 11.690, and 11.695.

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

PRIOR YEAR **ACTUAL AMOUNT OF FLEXIBILITY USED**	**CURRENT YEAR** **ESTIMATED AMOUNT OF** **FLEXIBILITY THAT WILL BE USED**	**BUDGET REQUEST** **ESTIMATED AMOUNT OF** **FLEXIBILITY THAT WILL BE USED**
N/A	HB11 language allows up to .25% flexibility between 11.600, 11.615, 11.630, 11.645, 11.660, 11.675, 11.690, and 11.695.	.25% flexiblity is being requested for FY21

3. Please explain how flexibility was used in the prior and/or current years.

PRIOR YEAR **EXPLAIN ACTUAL USE**	**CURRENT YEAR** **EXPLAIN PLANNED USE**
N/A	Flex is to be used to pay for contracted expenditures through the Administration and Information System program lines.

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
MO HEALTHNET ADMIN								
CORE								
ADMIN OFFICE SUPPORT ASSISTANT	213,121	7.35	188,760	5.98	151,736	5.00	0	0.00
OFFICE SUPPORT ASSISTANT	33,798	1.34	50,098	2.00	0	(0.00)	0	0.00
SR OFFICE SUPPORT ASSISTANT	123,291	4.65	228,033	8.00	311,957	12.00	0	0.00
BUYER III	14,309	0.30	0	0.00	14,450	0.25	0	0.00
BUYER IV	16,856	0.31	16,717	0.50	17,685	0.25	0	0.00
AUDITOR II	151,377	3.81	172,796	5.00	166,518	5.00	0	0.00
AUDITOR I	1,486	0.04	110,324	4.37	163,616	4.00	0	0.00
SENIOR AUDITOR	153,006	3.56	234,554	5.00	224,812	5.00	0	0.00
ACCOUNTANT I	0	0.00	38,543	1.00	38,761	1.00	0	0.00
ACCOUNTANT III	43,183	1.00	44,488	1.00	44,794	2.03	0	0.00
BUDGET ANAL II	45,590	1.07	88,976	2.00	0	(0.00)	0	0.00
BUDGET ANAL III	34,648	0.75	0	0.00	144,507	3.00	0	0.00
ACCOUNTING CLERK	55,482	2.11	83,402	3.00	83,572	3.00	0	0.00
ACCOUNTING GENERALIST I	61,633	1.93	66,294	2.00	66,569	2.00	0	0.00
ACCOUNTING GENERALIST II	37,244	1.00	364	0.05	0	0.00	0	0.00
PERSONNEL OFFICER	46,107	1.00	47,812	1.00	48,170	1.00	0	0.00
PERSONNEL ANAL I	0	0.00	39,945	1.00	40,183	1.00	0	0.00
PERSONNEL ANAL II	32,228	0.86	0	0.00	0	0.00	0	0.00
PUBLIC INFORMATION SPEC II	45,513	1.00	46,937	1.00	47,279	1.00	0	0.00
EXECUTIVE I	36,422	0.99	37,532	1.00	40,179	1.00	0	0.00
MANAGEMENT ANALYSIS SPEC II	473,362	10.17	633,842	16.99	591,318	15.00	0	0.00
ADMINISTRATIVE ANAL I	35,960	0.99	37,241	1.00	37,438	1.00	0	0.00
PHYSICIAN	122,937	1.02	127,324	1.50	127,336	1.00	0	0.00
REGISTERED NURSE - CLIN OPERS	321,880	5.72	413,747	7.00	416,009	7.00	0	0.00
PROGRAM DEVELOPMENT SPEC	803,548	19.01	1,019,946	22.00	880,851	22.00	0	0.00
MEDICAID PROGRAM RELATIONS REP	121,705	2.89	136,361	3.00	131,193	3.00	0	0.00
CORRESPONDENCE & INFO SPEC I	233,660	6.52	295,725	8.00	299,507	8.00	0	0.00
MEDICAID PHARMACEUTICAL TECH	181,601	5.43	105,036	3.00	0	0.00	0	0.00
MEDICAID CLERK	229,473	7.78	282,617	9.00	247,683	9.00	0	0.00
MEDICAID TECHNICIAN	778,248	23.19	787,312	25.05	612,744	21.00	0	0.00
MEDICAID SPEC	1,032,556	26.46	1,090,339	29.00	1,194,202	32.00	0	0.00
MEDICAID UNIT SPV	269,483	5.98	236,307	5.00	314,199	6.00	0	0.00

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
MO HEALTHNET ADMIN								
CORE								
FISCAL & ADMINISTRATIVE MGR B1	615,226	10.48	791,202	13.01	925,002	15.00	0	0.00
FISCAL & ADMINISTRATIVE MGR B2	18,663	0.31	4,200	0.00	0	0.00	0	0.00
SOCIAL SERVICES MGR, BAND 1	935,752	15.22	1,415,647	23.00	1,158,457	18.00	0	0.00
SOCIAL SERVICES MNGR, BAND 2	28,299	0.46	0	0.00	0	0.00	0	0.00
DEPUTY STATE DEPT DIRECTOR	0	0.00	102,515	1.00	0	0.00	0	0.00
DESIGNATED PRINCIPAL ASST DEPT	22,245	0.26	19,821	0.25	21,331	0.15	0	0.00
DIVISION DIRECTOR	141,657	0.62	161,558	1.00	234,119	1.00	0	0.00
DEPUTY DIVISION DIRECTOR	100,459	1.00	0	0.00	104,054	1.00	0	0.00
DESIGNATED PRINCIPAL ASST DIV	290,533	3.00	217,489	2.15	300,929	3.00	0	0.00
LEGAL COUNSEL	119,624	1.71	118,533	1.45	157,481	2.16	0	0.00
STUDENT INTERN	80	0.00	0	0.00	0	0.00	0	0.00
CLERK	5,542	0.20	0	0.00	0	0.00	0	0.00
MISCELLANEOUS PROFESSIONAL	35,090	0.71	233,543	3.39	36,137	3.19	0	0.00
SPECIAL ASST OFFICIAL & ADMSTR	0	0.00	48,567	1.01	0	0.00	0	0.00
SPECIAL ASST PROFESSIONAL	1,196,326	14.54	1,506,852	17.00	1,882,084	22.40	0	0.00
SPECIAL ASST OFFICE & CLERICAL	52,469	1.14	49,808	1.00	54,245	1.27	0	0.00
TOTAL - PS	**9,311,672**	**197.88**	**11,331,107**	**238.70**	**11,331,107**	**238.70**	**0**	**0.00**
TRAVEL, IN-STATE	11,302	0.00	17,484	0.00	24,203	0.00	0	0.00
TRAVEL, OUT-OF-STATE	29,020	0.00	6,800	0.00	41,045	0.00	0	0.00
SUPPLIES	450,265	0.00	307,805	0.00	686,070	0.00	0	0.00
PROFESSIONAL DEVELOPMENT	58,591	0.00	40,760	0.00	61,212	0.00	0	0.00
COMMUNICATION SERV & SUPP	63,757	0.00	65,934	0.00	118,362	0.00	0	0.00
PROFESSIONAL SERVICES	15,440,528	0.00	25,109,601	0.00	24,712,916	0.00	0	0.00
M&R SERVICES	4,873	0.00	4,400	0.00	4,415	0.00	0	0.00
OFFICE EQUIPMENT	14,587	0.00	21,816	0.00	21,816	0.00	0	0.00
OTHER EQUIPMENT	1,831	0.00	1,400	0.00	15,102	0.00	0	0.00
PROPERTY & IMPROVEMENTS	0	0.00	16,000	0.00	16,009	0.00	0	0.00
BUILDING LEASE PAYMENTS	123	0.00	1	0.00	700	0.00	0	0.00
EQUIPMENT RENTALS & LEASES	53	0.00	2	0.00	63	0.00	0	0.00
MISCELLANEOUS EXPENSES	2,002,863	0.00	6,000	0.00	6,000	0.00	0	0.00
TOTAL - EE	**18,077,793**	**0.00**	**25,598,003**	**0.00**	**25,707,913**	**0.00**	**0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
MO HEALTHNET ADMIN								
CORE								
PROGRAM DISTRIBUTIONS	347,802	0.00	2	0.00	0	0.00	0	0.00
TOTAL - PD	**347,802**	**0.00**	**2**	**0.00**	**0**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$27,737,267**	**197.88**	**$36,929,112**	**238.70**	**$37,039,020**	**238.70**	**$0**	**0.00**
GENERAL REVENUE	$11,558,633	60.53	$12,044,219	70.12	$12,036,091	70.12		0.00
FEDERAL FUNDS	$14,049,806	98.41	$21,676,411	122.97	$21,669,447	122.97		0.00
OTHER FUNDS	$2,128,828	38.94	$3,208,482	45.61	$3,333,482	45.61		0.00

PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s): 11.600**
Program Name: Administration
Program is found in the following core budget(s): MO HealthNet Administration

1a. What strategic priority does this program address?

Ensure access to coverage

1b. What does this program do?

To efficiently operate the $10.4 billion MO HealthNet program (also known as Missouri Medicaid) across four state departments, the MO HealthNet Division effectively utilizes its appropriated staff. The MO HealthNet Division staff account for less than 0.43% of total state employees while the MO HealthNet program comprised 32.35% of the total SFY 2019 state operating budget of $28.8 billion. The administrative portion of the budget (Personal Services and Expense and Equipment) comprised less than 0.34% of the division's total budget. MO HealthNet Division staff assist participants as well as providers.

Program Goals
The MO HealthNet Division seeks to aid participants and providers in their efforts to access MO HealthNet programs by utilizing administrative staffing, expense and equipment, and contractor resources efficiently and effectively.

Program Objectives
 • To purchase and monitor health care services for low income and vulnerable citizens of the State of Missouri;
 • To assure quality health care through development of service delivery systems, standards setting and enforcement, and education of providers and participants;
 • To be fiscally accountable for maximum and appropriate utilization of resources.

Additional Details
Administrative expenditures for the division consist of personal services and expense and equipment. These expenditures are driven by the operational demands of supporting the MO HealthNet program. The division operates both a fee-for-service program and a managed care program.

Approximately 96% of the division's expense and equipment expenditures are comprised of payments to contractors for professional services including, but not limited to, actuarial services; contracts with health care professionals to conduct utilization claim reviews to determine medical necessity of services; and services of an external quality reviewer as required by federal law. Approximately 4% of administrative expense and equipment expenditures support MO HealthNet staff for such routine operational expenses as supplies, postage, and office equipment.

In FY19 and FY20, contracts previously paid out of program sections were transferred to the Administration, Clinical Services, and Medicaid Management Information Systems (MMIS) sections.

PROGRAM DESCRIPTION

Department: Social Services **HB Section(s): 11.600**
Program Name: Administration
Program is found in the following core budget(s): MO HealthNet Administration

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2a. Provide an activity measure(s) for the program.

Average number of participants served in a month by MO HealthNet, by Large Eligibility Group, as of June 30, 2019.

Number of Participants Served by Large Eligibility Group

Permanently, Totally Disabled, 152,428

Pregnant Women, 23,294

Elderly, 80,738

Custodial Parent, 85,137

Children, 534,293
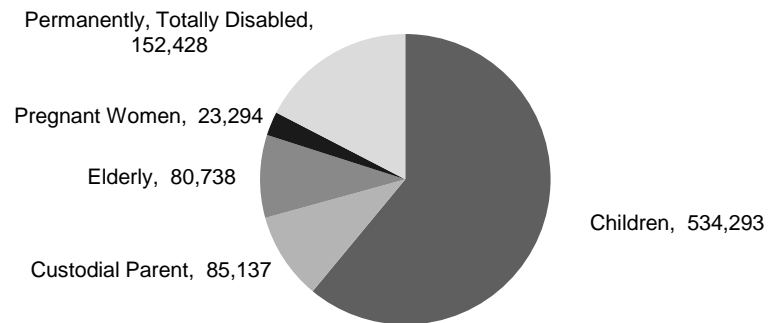
2b. Provide a measure(s) of the program's quality.

Refer to program sections for quality measures.

2c. Provide a measure(s) of the program's impact.

Number of MO HealthNet Participants as of June 2019
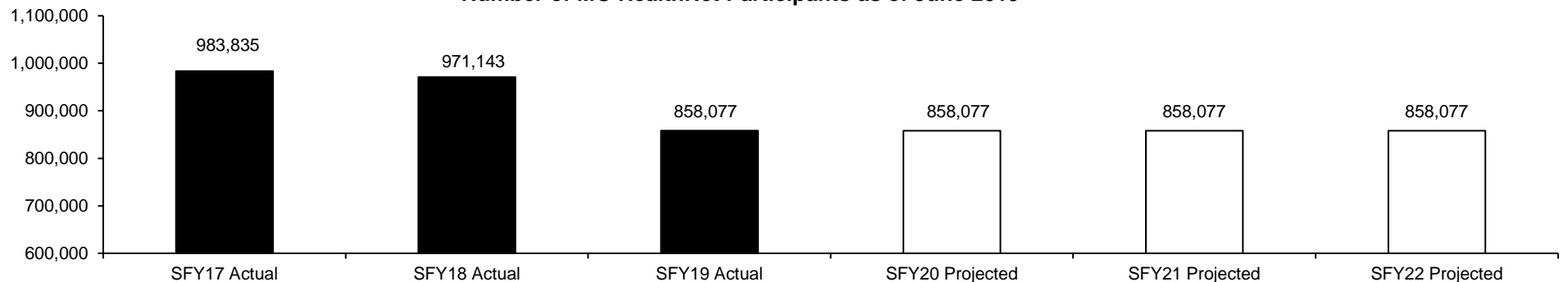
SFY17 Actual	983,835
SFY18 Actual	971,143
SFY19 Actual	858,077
SFY20 Projected	858,077
SFY21 Projected	858,077
SFY22 Projected	858,077

PROGRAM DESCRIPTION

Department: Social Services

HB Section(s): 11.600

Program Name: Administration

Program is found in the following core budget(s): MO HealthNet Administration

2d. Provide a measure(s) of the program's efficiency.

SFY19 MO HealthNet Division Expenditures

- Admin, Clinical & MMIS PS/E&E 1.46%
- Physician 6.61%
- Nursing Facilities 7.84%
- Premium 3.17%
- Other* 3.24%
- Hospital 8.98%
- Pharmacy 18.62%
- Managed Care 24.38%
- Rehab 3.95%
- Provider Taxes 21.75%
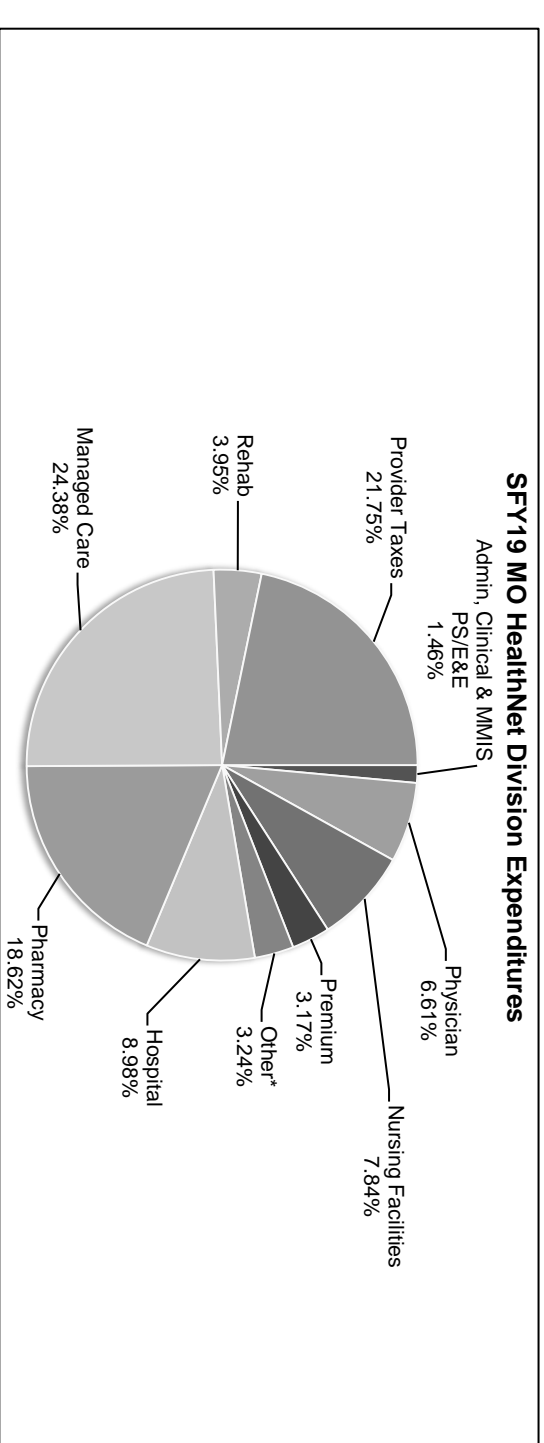
*Other includes:
HI-TECH grants, Dental,
Home Health, Long Term Support Upper
Payment Limit, Non-Emergency Medical
Transportation, Ground Emergency Medical
IGT, Health Care Home IGT,
Children's Health Insurance Program,
Show-Me Healthy Babies and
School District Claiming.

3. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year. (*Note: Amounts do not include fringe benefit costs.*)

Program Expenditure History

SFY17 Actual
- $3,266,039
- $7,656,394
- $2,122,121
- $13,044,554

SFY18 Actual
- $3,244,590
- $7,820,008
- $1,950,326
- $13,014,924

SFY19 Actual
- $11,558,633
- $14,049,806
- $2,128,828
- $27,737,267

SFY20 Planned
- $12,044,219
- $21,676,411
- $3,208,482
- $36,929,112

Legend: GR | FEDERAL | OTHER | TOTAL

Y-axis:
$1,000,000
$6,000,000
$11,000,000
$16,000,000
$21,000,000
$26,000,000
$31,000,000
$36,000,000
$41,000,000
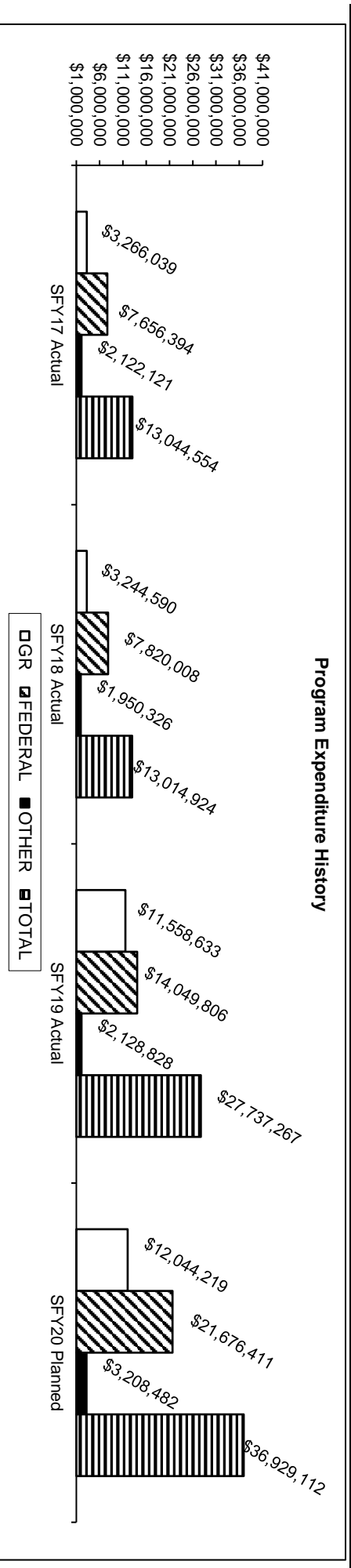
PROGRAM DESCRIPTION

Department: Social Services **HB Section(s): 11.600**
Program Name: Administration
Program is found in the following core budget(s): MO HealthNet Administration

4. What are the sources of the "Other " funds?

Pharmacy Reimbursement Allowance Fund (0144)
Health Initiatives Fund (HIF) (0275)
Nursing Facility Quality of Care Fund (NFQC) (0271)
Third Party Liability Collections Fund (TPL) (0120)
MO Rx Plan Fund (0779)
Federal Reimbursement Allowance Fund (FRA) (0142)
Ambulance Service Reimbursement Allowance Fund (0958)
Ground Emergency Medical Transportation Fund (GEMT) (0422)
Pharmacy Rebates Fund (0114)
Life Sciences Research Trust Fund (0763)

5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: Section 208.201, RSMo. Federal law: Social Security Act Section 1902(a)(4). Federal Regulations: 42 CFR, Part 432.

6. Are there federal matching requirements? If yes, please explain.

Expenditures are allocated in accordance with the methodology outlined in the department's cost allocation plan and charged to corresponding grants or identified and claimed as maintenance of effort as appropriate.

7. Is this a federally mandated program? If yes, please explain.

Yes. Section 1902 (a) (4) of the Social Security Act requires such methods of administration as necessary for the proper and efficient administration of the MO HealthNet State Plan.

NDI - MOM Grant

NEW DECISION ITEM

RANK: __35__ OF __36__

Department: Social Services   **Budget Unit: 90512C**
Division: MO HealthNet
DI Name: MOM Grant   **DI# 1886024**   **HB Section: 11.600**

1. AMOUNT OF REQUEST

	FY 2021 Budget Request					FY 2021 Governor's Recommendation			
	GR	**Federal**	**Other**	**Total**		**GR**	**Federal**	**Other**	**Total**
PS					**PS**				0
EE					**EE**				0
PSD		750,000		750,000	**PSD**				0
TRF					**TRF**				0
Total	**0**	**750,000**	**0**	**750,000**	**Total**	**0**	**0**	**0**	**0**
FTE	**0.00**	**0.00**	**0.00**	**0.00**	**FTE**				**0.00**
Est. Fringe	*0*	*0*	*0*	*0*	***Est. Fringe***	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.   *Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*

Other Funds: N/A   Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation	**x**	New Program		Fund Switch
	Federal Mandate		Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan		Other:		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

The Maternal Opioid Misuse (MOM) grant helps ensure expectant and new mothers have the resources needed to overcome Opioid Use Disorder (OUD) as a critical step to reducing health care and societal costs associated with Neonatal Abstinence Syndrome (NAS). MO HealthNet is currently working with the Centers for Medicare and Medicaid Services (CMS) to obtain a grant for this program. MO HealthNet will know if their grant application is approved on November 9, 2019.

Department: Social Services   **Budget Unit: 90512C**
Division: MO HealthNet
DI Name: MOM Grant   **DI# 1886024**   **HB Section: 11.600**

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

The surge in substance use-related illness and death in recent years particularly affects pregnant women. In fact, substance use is now a leading cause of maternal death. Pregnant and postpartum women who misuse substances are at high risk for poor maternal outcomes, including preterm labor and complications related to delivery; problems frequently exacerbated by malnourishment, interpersonal violence, and other health-related social needs. Infants exposed to opioids before birth also face negative outcomes, with a higher risk of being born preterm, having a low birth weight, and experiencing the effects of neonatal abstinence syndrome (NAS). Medicaid pays the largest portion of hospital charges for maternal substance use.

The primary goals of the MOM Model are to:
- improve quality of care and reduce costs for pregnant and postpartum women with OUD as well as their infants;
- expand access, service-delivery capacity, and infrastructure based on state-specific needs; and
- create sustainable coverage and payment strategies that support ongoing coordination and integration of care.

These goals will be achieved through a variety of approaches, including:
- Fostering coordinated and integrated care delivery: Support the delivery of coordinated and integrated physical health care, behavioral health care, and critical wrap-around services;
- Utilizing Innovation Center authorities and state flexibility: Leverage the use of existing Medicaid flexibility to pay for sustainable care for the model population; and
- Strengthening capacity and infrastructure: Invest in institutional and organizational capacity to address key challenges in the provision of coordinated and integrated care.

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PSD	0		750,000		0		750,000		0
Grand Total	0	0.0	750,000	0.0	0	0.0	750,000	0.0	0

Department: Social Services   **Budget Unit: 90512C**
Division: MO HealthNet
DI Name: MOM Grant   **DI# 1886024**   **HB Section: 11.600**

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6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an activity measure for the program.
This is a new program and MHD will have updated measures once data is available. Outcome measures will include the total number of pregnant women enrolled with the MHD.

6b. Provide a measure of the program's quality.
This is a new program and MHD will have updated measures once data is available. Outcome measures will include the total number of pregnant women who utilize OUD services.

6c. Provide a measure of the program's impact.
This is a new program and MHD will have updated measures once data is available. Outcome measures will include the total number of infants born with Neonatal Abstinence Syndrome (NAS).

6d. Provide a measure of the program's efficiency
This is a new program and MHD will have updated measures once data is available. Outcome measures will include the total cost per pregnant woman enrolled with the MHD.

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7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

MHD is fostering coordinated and integrated care delivery, as well as strengthening capacity and infrastructure to ensure expectant and new mothers have the resources needed to overcome Opioid Use Disorder (OUD) as a critical step to reducing health care and societal costs associated with Neonatal Abstinence Syndrome (NAS).

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
MO HEALTHNET ADMIN								
MOM Grant - 1886024								
PROFESSIONAL SERVICES	0	0.00	0	0.00	750,000	0.00	0	0.00
TOTAL - EE	**0**	**0.00**	**0**	**0.00**	**750,000**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$750,000**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	$0	0.00	$0	0.00	$0	0.00		0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$750,000	0.00		0.00
OTHER FUNDS	$0	0.00	$0	0.00	$0	0.00		0.00

Core - Clinical Services Program Management

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Clinical Services Program Management

Budget Unit: 90516C

HB Section: 11.605

1. CORE FINANCIAL SUMMARY

	FY 2021 Budget Request					FY 2021 Governor's Recommendation			
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS					PS				0
EE	461,917	12,214,032	2,485,506	15,161,455	EE				0
PSD					PSD				0
TRF					TRF				0
Total	461,917	12,214,032	2,485,506	15,161,455	Total	0	0	0	0
FTE	0.00	0.00	0.00	0.00	FTE				0.00

Est. Fringe	0	0	0	0	*Est. Fringe*	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Third Party Liability Collections (TPL) Fund (0120) - $ 924,911
        MO Rx Plan Fund (0779) - $62,947
        Pharmacy Rebates Fund (0114) - $1,497,648

Other Funds:

2. CORE DESCRIPTION

This item funds contractor costs that support the pharmacy and clinical services programs. Funding is used for cost containment initiatives and clinical policy decision-making to enhance efforts to provide appropriate and quality medical care to participants. The MO HealthNet Division (MHD) seeks to aid participants and providers in their efforts to access the MO HealthNet program by utilizing contractor resources effectively.

3. PROGRAM LISTING (list programs included in this core funding)

Clinical Services Program Management
Missouri Rx Program

CORE DECISION ITEM

Department: Social Services　　　　　　　　　　　　　　　　　　　　**Budget Unit: 90516C**
Division: MO HealthNet
Core: Clinical Services Program Management　　　　　　　　　　　　**HB Section: 11.605**

4. FINANCIAL HISTORY

	FY2017 Actual	FY2018 Actual	FY2019 Actual	FY2020 Current Yr.
Appropriation (All Funds)	15,161,455	15,161,455	15,161,455	15,161,455
Less Reverted (All Funds)	(13,858)	(13,858)	(13,858)	N/A
Less Restricted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	15,147,597	15,147,597	15,147,597	15,161,455
Actual Expenditures (All Funds)	12,831,250	11,423,030	8,656,460	N/A
Unexpended (All Funds)	2,316,347	3,724,567	6,491,137	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	1,005,274	2,326,227	4,705,707	N/A
Other	1,311,073	1,398,340	1,785,430	N/A
		(1)		
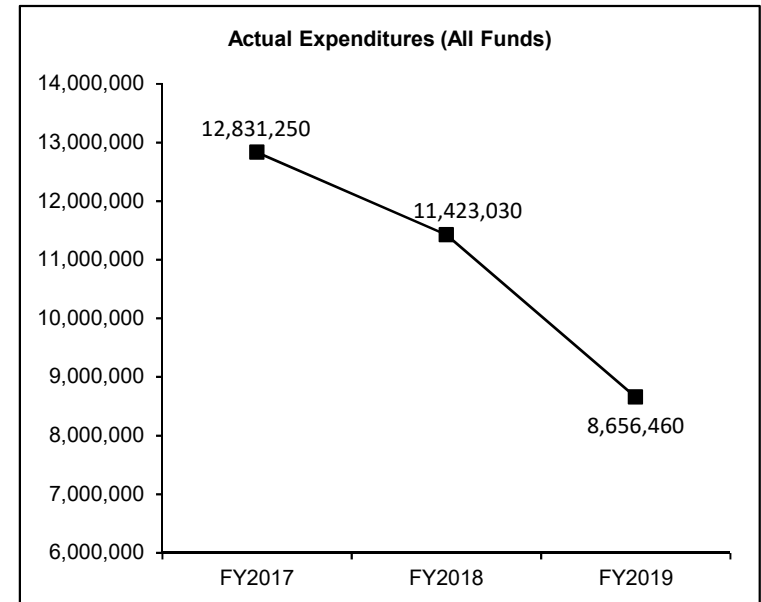
Actual Expenditures (All Funds)

Reverted includes statutory reserve amounts (when applicable).
Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:
(1) FY18 - There was an agency reserve of $42,711 Federal.

DEPARTMENT OF SOCIAL SERVICES
CLINICAL SRVC MGMT

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	EE	0.00	461,917	12,214,032	2,485,506	15,161,455	
	Total	**0.00**	**461,917**	**12,214,032**	**2,485,506**	**15,161,455**	
DEPARTMENT CORE REQUEST							
	EE	0.00	461,917	12,214,032	2,485,506	15,161,455	
	Total	**0.00**	**461,917**	**12,214,032**	**2,485,506**	**15,161,455**	
GOVERNOR'S RECOMMENDED CORE							
	EE	0.00	461,917	12,214,032	2,485,506	15,161,455	
	Total	**0.00**	**461,917**	**12,214,032**	**2,485,506**	**15,161,455**	

DECISION ITEM SUMMARY

Budget Unit Decision Item Budget Object Summary Fund	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
CLINICAL SRVC MGMT								
CORE								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	448,060	0.00	461,917	0.00	461,917	0.00	0	0.00
DEPT OF SOC SERV FEDERAL & OTH	7,508,324	0.00	12,214,032	0.00	12,214,032	0.00	0	0.00
PHARMACY REBATES	0	0.00	1,497,648	0.00	1,497,648	0.00	0	0.00
THIRD PARTY LIABILITY COLLECT	657,391	0.00	924,911	0.00	924,911	0.00	0	0.00
MISSOURI RX PLAN FUND	42,685	0.00	62,947	0.00	62,947	0.00	0	0.00
TOTAL - EE	8,656,460	0.00	15,161,455	0.00	15,161,455	0.00	0	0.00
TOTAL	**8,656,460**	**0.00**	**15,161,455**	**0.00**	**15,161,455**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$8,656,460**	**0.00**	**$15,161,455**	**0.00**	**$15,161,455**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
CLINICAL SRVC MGMT								
CORE								
TRAVEL, IN-STATE	11,709	0.00	12,001	0.00	0	0.00	0	0.00
TRAVEL, OUT-OF-STATE	12,025	0.00	8,200	0.00	0	0.00	0	0.00
SUPPLIES	235,872	0.00	320,001	0.00	0	0.00	0	0.00
PROFESSIONAL DEVELOPMENT	8,351	0.00	5,000	0.00	0	0.00	0	0.00
COMMUNICATION SERV & SUPP	54,605	0.00	62,501	0.00	0	0.00	0	0.00
PROFESSIONAL SERVICES	8,325,007	0.00	14,721,917	0.00	15,161,455	0.00	0	0.00
M&R SERVICES	1,299	0.00	18,502	0.00	0	0.00	0	0.00
OFFICE EQUIPMENT	3,213	0.00	8,650	0.00	0	0.00	0	0.00
OTHER EQUIPMENT	0	0.00	1,640	0.00	0	0.00	0	0.00
PROPERTY & IMPROVEMENTS	2,312	0.00	2	0.00	0	0.00	0	0.00
BUILDING LEASE PAYMENTS	645	0.00	841	0.00	0	0.00	0	0.00
MISCELLANEOUS EXPENSES	1,422	0.00	2,200	0.00	0	0.00	0	0.00
TOTAL - EE	**8,656,460**	**0.00**	**15,161,455**	**0.00**	**15,161,455**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$8,656,460**	**0.00**	**$15,161,455**	**0.00**	**$15,161,455**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$448,060**	**0.00**	**$461,917**	**0.00**	**$461,917**	**0.00**		**0.00**
FEDERAL FUNDS	**$7,508,324**	**0.00**	**$12,214,032**	**0.00**	**$12,214,032**	**0.00**		**0.00**
OTHER FUNDS	**$700,076**	**0.00**	**$2,485,506**	**0.00**	**$2,485,506**	**0.00**		**0.00**

PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s): 11.605**
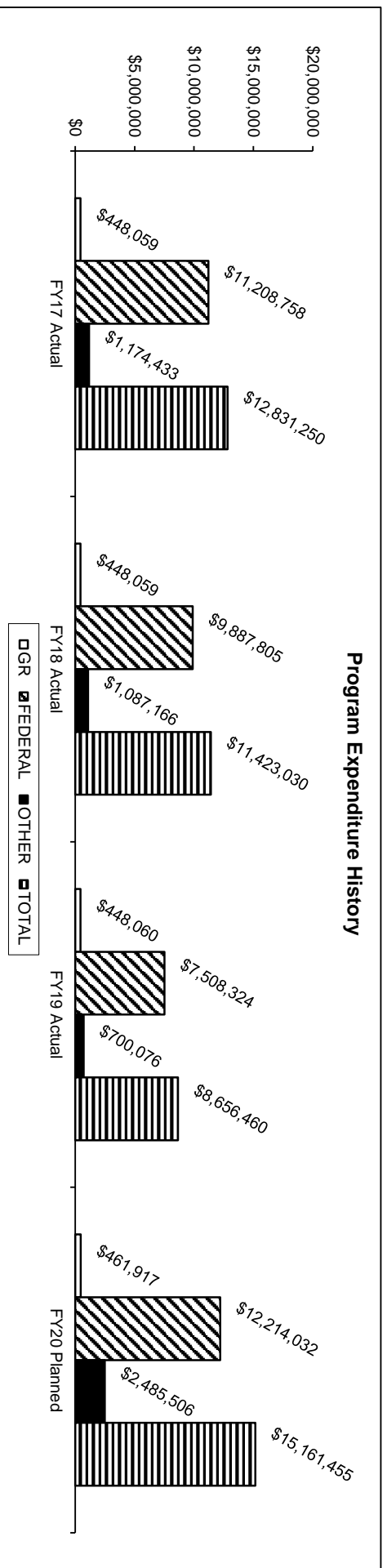**Program Name: Clinical Services Program Management**
Program is found in the following core budget(s): Clinical Services Program Management

1a. What strategic priority does this program address?

Health and continuum of care

1b. What does this program do?

Funding for Clinical Services Program Management (CSPM) supports contractor costs for pharmacy and clinical services. Conduent operates and manages the web-based clinical editing process for the point-of-sale pharmacy and medical claims, medical and drug prior authorization, pre-certification, and Drug Utilization Review (DUR). The current CSPM claim processing system allows each claim to be referenced against the participant's claims history including pharmacy, medical, and procedural data (ICD-9/10 and CPT codes), providing real-time data to participating MHD providers. For patients that meet approval criteria, the claim will be paid automatically. In instances when a phone call is necessary, the hotline call center is available seven days a week, which allows providers prompt access to a paid claim for the requested product or service. In addition to receiving messages regarding the outcome of the processing of claims and the amount to be reimbursed, pharmacy providers receive prospective drug use review alert messages at the time prescriptions are dispensed.

CyberAccess^{SM} is a web-based tool that allows healthcare providers to electronically request drug and medical prior authorizations for their MO HealthNet patients, review historical claims data, view and/or enter clinical data in a patient's Electronic Health Record (EHR), select appropriate preferred medications and electronically prescribe, and electronically request inpatient certifications. The continued funding for *CyberAccess*^{SM} is critical to continue supporting the pharmacy and medical cost containment initiatives and electronic health records. Early Periodic Screening, Diagnosis, and Treatment (EPSDT) forms and patient-specific lab results are currently available through the platform. Linkages to other health record systems yielding interoperability between systems are under development (Health Information Network {HIN}). A companion participant web portal tool, Direct Inform, has been developed and deployed to pilot providers.

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Clinical Services Program Management
Program is found in the following core budget(s): Clinical Services Program Management

HB Section(s): 11.605

Pharmacy
Through the Pharmacy Program, the division is able to maintain current cost containment initiatives and implement new cost containment initiatives.
Major initiatives include:
- Maintenance and Updates to Fiscal and Clinical Edits
- Quarterly Updates to the Missouri Maximum Allowable Cost (MACs)
- Prospective and Retrospective Drug Use for Drug Utilization Review (DUR)
- Routine/Ad hoc Drug Information Research
- Enrollment and Administration of Case Management
- Preferred Drug List (PDL) and Supplemental Rebates
- *See the Pharmacy tab for more details on these initiatives*

Clinical
Major Clinical Services initiatives include:
- Smart Prior Authorization (PA) for Durable Medical Equipment (DME), Optical, Psychology, Medical Services, and Chronic Pain Management
- Home and Community Based Services (HCBS) prior authorizations
- Psychology and Bone Marrow Consultants
- Optical Program
- Medical Evidence-Based Guidelines - Oregon HealthCare Contract

2a. Provide an activity measure for the program.
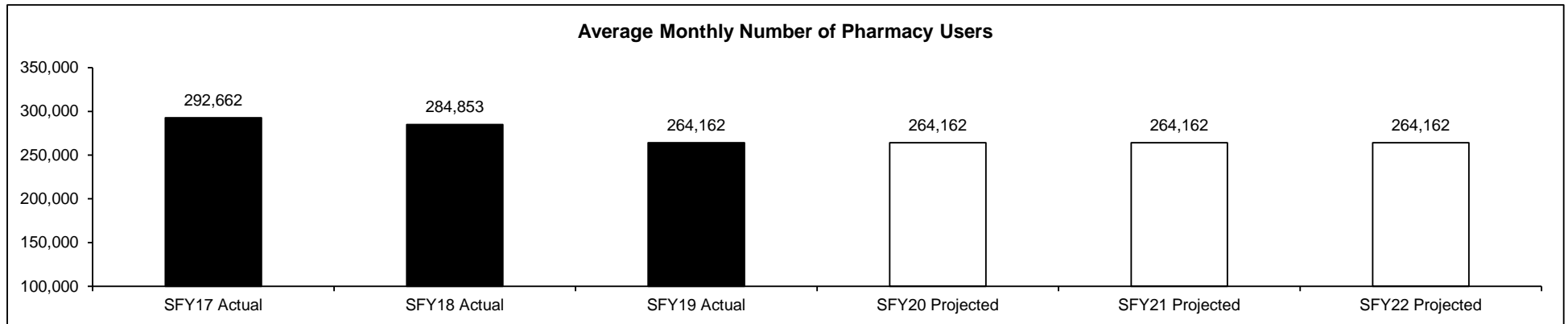
Average Monthly Number of Pharmacy Users

SFY17 Actual	292,662
SFY18 Actual	284,853
SFY19 Actual	264,162
SFY20 Projected	264,162
SFY21 Projected	264,162
SFY22 Projected	264,162

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Clinical Services Program Management
Program is found in the following core budget(s): Clinical Services Program Management

HB Section(s): 11.605

2b. Provide a measure of the program's quality.

CyberAccess Provider Outreach Representatives continue to do provider outreach, expressing the importance of utilizing Cyber Access when verifying drug and medical rules. Pharmacy is carved out of Managed Care, hence the continued increase. Most medical services are not carved out of Managed Care, therefore there is a decrease in the number of rules verified.

Average Monthly Number of Cyber Access Drug Rules Verified

SFY17 Actual	SFY18 Actual	SFY19 Actual	SFY20 Projected	SFY21 Projected	SFY22 Projected
750 (Actual)	721 (Actual)	837 (Actual)	837 (Base) / 857 (Stretch)	845 (Base) / 866 (Stretch)	853 (Base) / 875 (Stretch)

■Actual □Base ▤Stretch

Average Monthly Number of Cyber Access Medical Rules Verified

SFY17 Actual	SFY18 Actual	SFY19 Actual	SFY20 Projected	SFY21 Projected	SFY22 Projected
36,290 (Actual)	25,832 (Actual)	22,890 (Actual)	22,950 (Base) / 28,131 (Stretch)	24,550 (Base) / 28,131 (Stretch)	27,050 (Base) / 28,131 (Stretch)

■Actual □Base ▤Stretch

Average monthly number of Cyber Access medical rules verified decreased after Statewide Managed Care in SFY17.

PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s): 11.605**
Program Name: Clinical Services Program Management
Program is found in the following core budget(s): Clinical Services Program Management

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2c.   Provide a measure of the program's impact.

**Average Monthly Number of Cyber Access
Users Activity**

SFY17 Actual	SFY18 Actual	SFY19 Actual	SFY20 Projected	SFY21 Projected	SFY22 Projected
97,185	98,954	83,503	86,003 / 93,500	88,503 / 93,500	91,003 / 93,500

■Actual □Base ▤Stretch
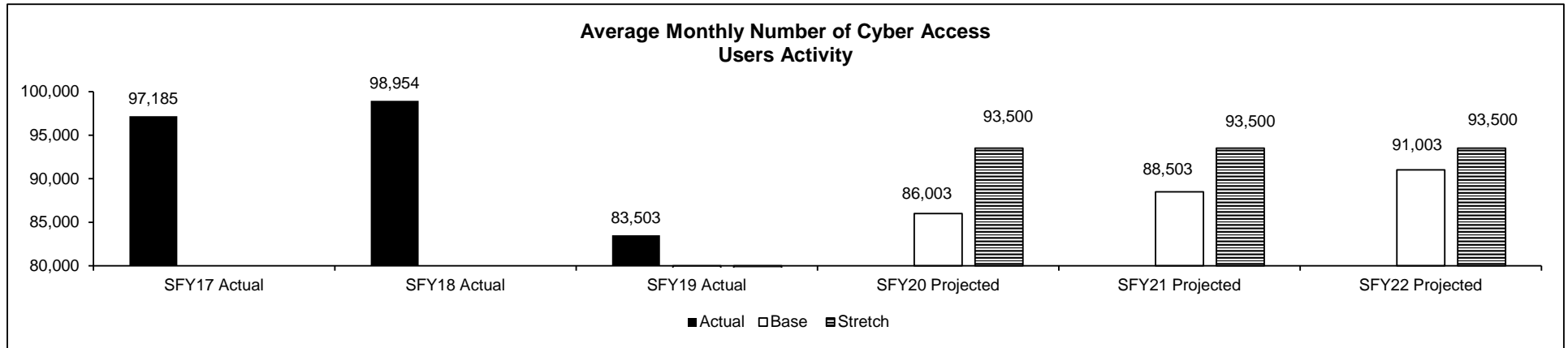
Decrease due to new Precert module which allows providers to do a multi-select request so that multiple codes could be included in the same request.

2d.   Provide a measure of the program's efficiency.

Monthly Number of Pharmacy Claims

SFY17 Actual	SFY18 Actual	SFY19 Actual	SFY20 Projected	SFY21 Projected	SFY22 Projected
12,900,000	12,500,000	11,700,000	11,700,000	11,700,000	11,700,000
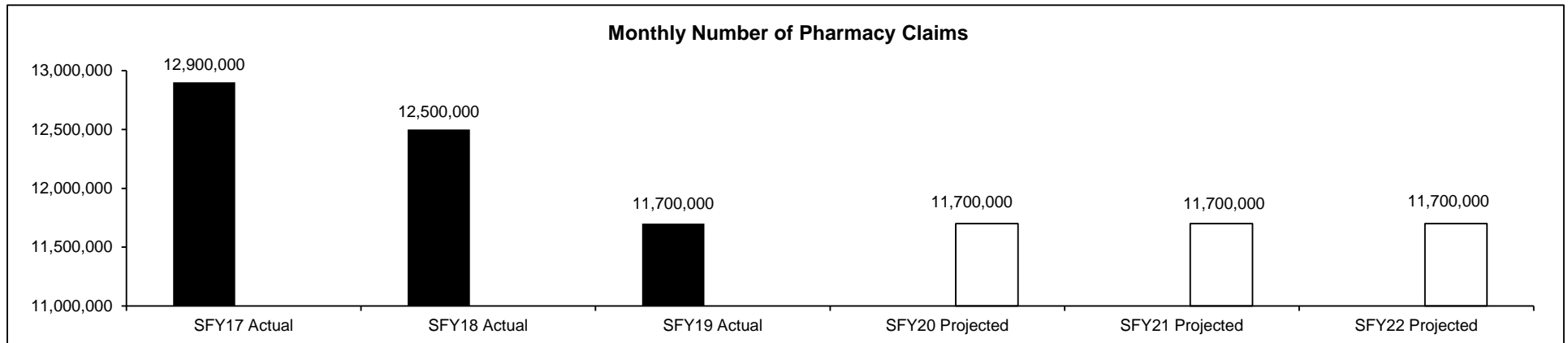
Drop in Pharmacy claims due to decreased enrollment.

Department: Social Services

Program Name: Clinical Services Program Management

Program is found in the following core budget(s): Clinical Services Program Management

3. Provide actual expenditures for the prior three fiscal years; planned expenditures for the current fiscal year. (*Note: Amounts do not include fringe benefit costs.*)

Program Expenditure History

	FY17 Actual	FY18 Actual	FY19 Actual	FY20 Planned
GR	$448,059	$448,059	$448,060	$461,917
FEDERAL	$11,208,758	$9,887,805	$7,508,324	$12,214,032
OTHER	$1,174,433	$1,087,166	$700,076	$2,485,506
TOTAL	$12,831,250	$11,423,030	$8,656,460	$15,161,455

4. What are the sources of the "Other " funds?

Pharmacy Rebate Fund (0114), Third Party Liability Fund (0120), and Missouri Rx Plan Fund (0779)

5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: Section 208.201, RSMo. Federal law: Social Security Act Section 1902(a)(4), Federal Regulations: 42 CFR, Part 432.

6. Are there federal matching requirements? If yes, please explain.

Generally, MO HealthNet administrative expenditures earn a 50% federal match. The Clinical Management Services for Pharmacy and Prior Authorization expenditures earn a 75% federal match.

7. Is this a federally mandated program? If yes, please explain.

Yes. Section 1902 (a) (4) of the Social Security Act requires such methods of administration as necessary for the proper and efficient administration of the Medicaid State Plan.

Core - MO HealthNet Transformation

CORE DECISION ITEM

Department: Social Services   **Budget Unit: 90519C**
Division: MO HealthNet
Core: MHD Transformation   **HB Section: 11.606**

1. CORE FINANCIAL SUMMARY

	FY 2021 Budget Request					FY 2021 Governor's Recommendation			
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS	240,000	240,000		480,000	PS				0
EE	6,130,458	27,379,318		33,509,776	EE				0
PSD					PSD				0
TRF					TRF				0
Total	**6,370,458**	**27,619,318**	**0**	**33,989,776**	**Total**	**0**	**0**	**0**	**0**
FTE	3.00	3.00	0.00	6.00	FTE				0.00

Est. Fringe	*0*	*0*	*0*	*0*	*Est. Fringe*	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: N/A   Other Funds:

2. CORE DESCRIPTION

The MHD Transformation program is a combination of initiatives the MO Healthnet Division (MHD) is in the process of implementing, with the goal of transforming Medicaid. Missouri's Medicaid program is an important safety net for Missouri's most vulnerable populations, providing health care and support for nearly one million Missourians. Analysis of historical trends indicates that the financial sustainability of Missouri's Medicaid program is currently under pressure. Significant changes in the structure and performance of Missouri's Medicaid program would be necessary to bring Medicaid spending growth in line with projected economic growth for the state. The initiatives are wide-ranging, including operational improvements to bring the program up to date with common practices among other state Medicaid programs, as well as best practices and more transformational changes.

3. PROGRAM LISTING (list programs included in this core funding)

MHD Transformation

CORE DECISION ITEM

Department: Social Services   **Budget Unit: 90519C**
Division: MO HealthNet
Core: MHD Transformation   **HB Section: 11.606**

4. FINANCIAL HISTORY

	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Current Yr.
Appropriation (All Funds)	0	0	0	34,000,000
Less Reverted (All Funds)	0	0	0	N/A
Less Restricted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	0	0	0	34,000,000
Actual Expenditures (All Funds)	0	0	0	N/A
Unexpended (All Funds)	0	0	0	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	0	0	0	N/A

Actual Expenditures (All Funds)

Reverted includes statutory reserve amounts (when applicable).
Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

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DEPARTMENT OF SOCIAL SERVICES
MHD TRANSFORMATION

5. CORE RECONCILIATION DETAIL

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES								
		PS	6.00	240,000	240,000	0	480,000	
		EE	0.00	6,135,570	27,384,430	0	33,520,000	
		Total	**6.00**	**6,375,570**	**27,624,430**	**0**	**34,000,000**	
DEPARTMENT CORE ADJUSTMENTS								
Core Reduction	760 5510	EE	0.00	0	(5,112)	0	(5,112)	Core Reduction of one-time equipment that was added in FY20.
Core Reduction	760 5506	EE	0.00	(5,112)	0	0	(5,112)	Core Reduction of one-time equipment that was added in FY20.
NET DEPARTMENT CHANGES			**0.00**	**(5,112)**	**(5,112)**	**0**	**(10,224)**	
DEPARTMENT CORE REQUEST								
		PS	6.00	240,000	240,000	0	480,000	
		EE	0.00	6,130,458	27,379,318	0	33,509,776	
		Total	**6.00**	**6,370,458**	**27,619,318**	**0**	**33,989,776**	
GOVERNOR'S RECOMMENDED CORE								
		PS	6.00	240,000	240,000	0	480,000	
		EE	0.00	6,130,458	27,379,318	0	33,509,776	
		Total	**6.00**	**6,370,458**	**27,619,318**	**0**	**33,989,776**	

Budget Unit Decision Item Budget Object Summary Fund	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
MHD TRANSFORMATION								
CORE								
PERSONAL SERVICES								
GENERAL REVENUE	0	0.00	240,000	3.00	240,000	3.00	0	0.00
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	240,000	3.00	240,000	3.00	0	0.00
TOTAL - PS	0	0.00	480,000	6.00	480,000	6.00	0	0.00
EXPENSE & EQUIPMENT								
GENERAL REVENUE	0	0.00	6,135,570	0.00	6,130,458	0.00	0	0.00
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	27,384,430	0.00	27,379,318	0.00	0	0.00
TOTAL - EE	0	0.00	33,520,000	0.00	33,509,776	0.00	0	0.00
TOTAL	**0**	**0.00**	**34,000,000**	**6.00**	**33,989,776**	**6.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$34,000,000**	**6.00**	**$33,989,776**	**6.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
MHD TRANSFORMATION								
CORE								
FISCAL & ADMINISTRATIVE MGR B1	0	0.00	0	0.00	235,362	4.00	0	0.00
FISCAL & ADMINISTRATIVE MGR B2	0	0.00	280,000	4.00	0	0.00	0	0.00
SPECIAL ASST PROFESSIONAL	0	0.00	200,000	2.00	244,638	2.00	0	0.00
TOTAL - PS	**0**	**0.00**	**480,000**	**6.00**	**480,000**	**6.00**	**0**	**0.00**
TRAVEL, IN-STATE	0	0.00	18,000	0.00	18,000	0.00	0	0.00
SUPPLIES	0	0.00	3,168	0.00	3,168	0.00	0	0.00
PROFESSIONAL DEVELOPMENT	0	0.00	1,842	0.00	1,842	0.00	0	0.00
COMMUNICATION SERV & SUPP	0	0.00	978	0.00	978	0.00	0	0.00
PROFESSIONAL SERVICES	0	0.00	33,485,788	0.00	33,485,788	0.00	0	0.00
OFFICE EQUIPMENT	0	0.00	10,224	0.00	0	0.00	0	0.00
TOTAL - EE	**0**	**0.00**	**33,520,000**	**0.00**	**33,509,776**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$34,000,000**	**6.00**	**$33,989,776**	**6.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$6,375,570**	**3.00**	**$6,370,458**	**3.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$27,624,430**	**3.00**	**$27,619,318**	**3.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

<center>**PROGRAM DESCRIPTION**</center>

Department: Social Services   **HB Section(s): 11.606**
Program Name: MHD Transformation
Program is found in the following core budget(s): MHD Transformation

1a. What strategic priority does this program address?

Transforming the Medicaid program

1b. What does this program do?

The MHD Transformation program is a combination of initiatives the MO Healthnet Division (MHD) is in the process of implementing, with the goal of transforming Missouri Medicaid. Missouri's Medicaid program is an important safety net for Missouri's most vulnerable populations, providing health care and support for many Missourians. Missouri Medicaid's delivery system, payment methodologies, and information systems are outdated in many respects compared to other states. Further, analysis of historical trends indicate that the financial sustainability of Missouri's Medicaid program is currently under pressure. Significant changes in the structure and performance of Missouri's Medicaid program will be necessary to bring Medicaid spending growth in line with projected economic growth for the state.

The initiatives are wide-ranging, including operational improvements to bring the program up to date with common practices among other state Medicaid programs, as well as best practices and more transformational changes.

Transformation goals:
- Bring Medicaid spending growth in line with the rate of growth for Missouri
- Ensure access to healthcare services to meet the needs of the most vulnerable populations
- Improve participant experience, healthcare outcomes, and increase independence
- Partner with providers to modernize care delivery systems
- Become a leader in the implementation of value based care in Medicaid

2a.   Provide an activity measure(s) for the program.

This is a new program and MHD will have updated measures once data is available. Outcome measures will include ensuring access to healthcare services to meet the needs of the most vulnerable populations by partnering with providers to modernize care delivery systems. MHD will measure the progress of implementation of several initiatives for both policy and programmatic changes, as well as the change in reimbursement methodologies.

2b. Provide a measure(s) of the program's quality.

This is a new program and MHD will have updated measures once data is available. Outcome measures will include MO's plans to implement a value-based payment (VBP) model, using Alternative Payment Models (APMs) to reward providers for delivering high-quality care at lower cost. Research suggests that well-designed APMs improve the quality of care and can meaningfully reduce the cost of care if implemented across the full spending base.

2c.   Provide a measure(s) of the program's impact.

This is a new program and MHD will have updated measures once data is available. Outcome measures will include improving the participant experience, healthcare outcomes, and increasing independence by bringing the Medicaid programs up to date with common practices among other State Medicaid programs, as well as implementing best practices.

Department: Social Services

Program Name: MHD Transformation

Program is found in the following core budget(s): MHD Transformation

HB Section(s): **11.606**

2d.   Provide a measure(s) of the program's efficiency.

This is a new program and MHD will have updated measures once data is available. Outcome measures will include bringing Medicaid spending growth in line with the rate of growth for Missouri in state general revenues.

3.   Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year. (*Note: Amounts do not include fringe*

Program Expenditure History

$50,000,000
$40,000,000
$30,000,000
$20,000,000
$10,000,000
$0

SFY17 Actual   SFY18 Actual   SFY19 Actual   SFY20 Planned

$6,375,570
$27,624,430
$34,000,000

□GR ▨FEDERAL ■OTHER ▤TOTAL

4.   What are the sources of the "Other " funds?

N/A

5.   What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

N/A
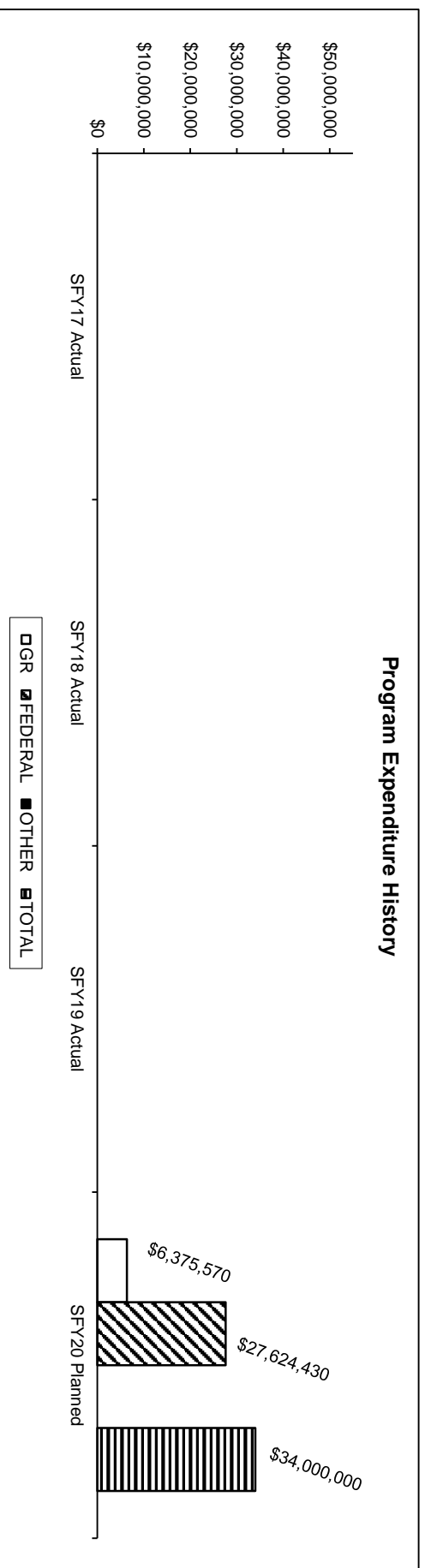
6.   Are there federal matching requirements? If yes, please explain.

MHD is currently working with CMS to secure enhanced federal funding for transformation.

7.   Is this a federally mandated program? If yes, please explain.

No.

Core - Third Party Liability (TPL) Contracts

CORE DECISION ITEM

Department: Social Services   **Budget Unit: 90515C**
Division: MO HealthNet
Core: Third Party Liability (TPL) Contracts   **HB Section: 11.610**

1. CORE FINANCIAL SUMMARY

	FY 2021 Budget Request					FY 2021 Governor's Recommendation			
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS					PS				0
EE		4,250,000	4,250,000	8,500,000	EE				0
PSD					PSD				0
TRF					TRF				0
Total	**0**	**4,250,000**	**4,250,000**	**8,500,000**	**Total**	**0**	**0**	**0**	**0**
FTE	**0.00**	**0.00**	**0.00**	**0.00**	**FTE**				**0.00**

Est. Fringe	*0*	*0*	*0*	*0*		*Est. Fringe*	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Third Party Liability Collections Fund (TPL) (0120) - $4,250,000   Other Funds:

2. CORE DESCRIPTION

This item funds contracted third party liability (TPL) recovery activities. TPL functions are performed by agency staff in the MO HealthNet Division TPL Unit and by a contractor. This core appropriation represents expense and equipment funding which is used to make payments to the contractor who works with the agency on TPL recovery activities.

3. PROGRAM LISTING (list programs included in this core funding)

Third Party Liability Contracts

CORE DECISION ITEM

Department: Social Services   **Budget Unit: 90515C**
Division: MO HealthNet
Core: Third Party Liability (TPL) Contracts   **HB Section: 11.610**

4. FINANCIAL HISTORY

	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Current Yr.
Appropriation (All Funds)	6,000,000	6,000,000	8,500,000	8,500,000
Less Reverted (All Funds)	0	0	0	N/A
Less Restricted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	6,000,000	6,000,000	8,500,000	8,500,000
Actual Expenditures (All Funds)	6,000,000	6,000,000	5,030,378	N/A
Unexpended (All Funds)	0	0	3,469,622	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	1,734,811	N/A
Other	0	0	1,734,811	N/A
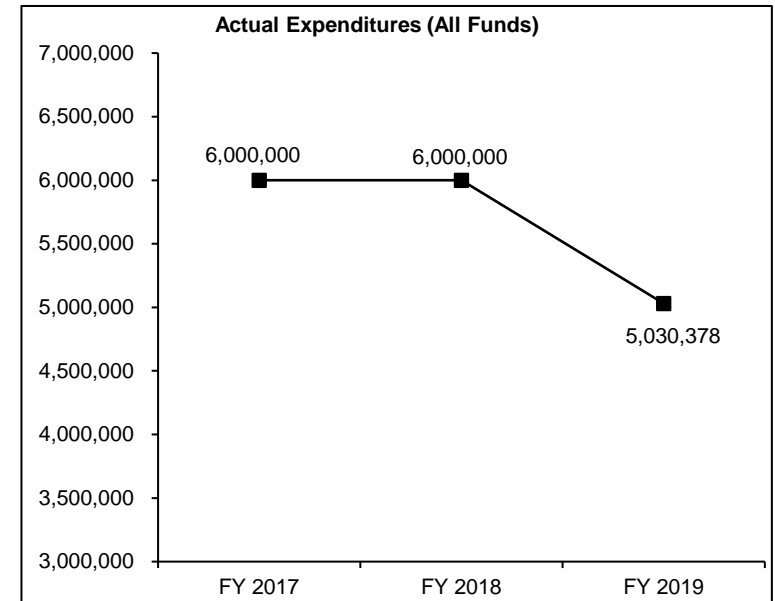
Actual Expenditures (All Funds)

Reverted includes statutory reserve amounts (when applicable).
Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

DEPARTMENT OF SOCIAL SERVICES
TPL CONTRACTS

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	EE	0.00	0	4,250,000	4,250,000	8,500,000	
	Total	**0.00**	**0**	**4,250,000**	**4,250,000**	**8,500,000**	
DEPARTMENT CORE REQUEST							
	EE	0.00	0	4,250,000	4,250,000	8,500,000	
	Total	**0.00**	**0**	**4,250,000**	**4,250,000**	**8,500,000**	
GOVERNOR'S RECOMMENDED CORE							
	EE	0.00	0	4,250,000	4,250,000	8,500,000	
	Total	**0.00**	**0**	**4,250,000**	**4,250,000**	**8,500,000**	

DECISION ITEM SUMMARY

Budget Unit Decision Item Budget Object Summary Fund	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
TPL CONTRACTS								
CORE								
EXPENSE & EQUIPMENT								
DEPT OF SOC SERV FEDERAL & OTH	2,515,189	0.00	4,250,000	0.00	4,250,000	0.00	0	0.00
THIRD PARTY LIABILITY COLLECT	2,515,189	0.00	4,250,000	0.00	4,250,000	0.00	0	0.00
TOTAL - EE	5,030,378	0.00	8,500,000	0.00	8,500,000	0.00	0	0.00
TOTAL	**5,030,378**	**0.00**	**8,500,000**	**0.00**	**8,500,000**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$5,030,378**	**0.00**	**$8,500,000**	**0.00**	**$8,500,000**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item 　　Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
TPL CONTRACTS								
CORE								
PROFESSIONAL SERVICES	5,030,378	0.00	8,500,000	0.00	8,500,000	0.00	0	0.00
TOTAL - EE	**5,030,378**	**0.00**	**8,500,000**	**0.00**	**8,500,000**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$5,030,378**	**0.00**	**$8,500,000**	**0.00**	**$8,500,000**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	$0	0.00	$0	0.00	$0	0.00		0.00
FEDERAL FUNDS	$2,515,189	0.00	$4,250,000	0.00	$4,250,000	0.00		0.00
OTHER FUNDS	$2,515,189	0.00	$4,250,000	0.00	$4,250,000	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services　　　　　　　　　　　　　　　　　　　**HB Section(s): 11.610**
Program Name: Third Party Liability (TPL) Contracts
Program is found in the following core budget(s): Third Party Liability (TPL) Contracts

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1a. What strategic priority does this program address?

Reduce Medicaid overall costs

1b. What does this program do?

The TPL program utilizes a combination of contractor and state staff resources to research and identify potentially liable third party sources and then pursues those alternative payment methods. MO HealthNet is able to avoid and/or recover costs for medical services provided to the state's Medicaid population. While this appropriation only funds the TPL contractor, both contractor and state staff responsibilities are discussed below. Personal Service and Expense and Equipment, which fund the MO HealthNet TPL Unit, are appropriated under MO HealthNet Administration. Even though some responsibilities are shared, the TPL Unit and the contractor each perform specific cost saving and recovery activities. The contractor focuses on bulk billings to insurance carriers and other third parties and data matches to identify potential third parties.

The following list itemizes the activities performed by the contractor:
  • Health insurance billing and follow-up
  • Data matches and associated billing (Tricare, Missouri Consolidated Health Care Plan, and other insurance carriers such as Blue Cross Blue Shield, United Healthcare, and Aetna)
  • Provide TPL information for state files
  • Post accounts receivable data to the state A/R system
  • Maintain insurance billing files

Program Objectives are to recover funds:
  • From third-party sources when liability at the time of service had not yet been determined
  • When the third-party source was not known at the time of MO HealthNet payment
  • For services that are federally mandated to be paid and then pursued

Reimbursement Methodology

The TPL contract appropriation allows for payment to the contractor who works with the agency on TPL recovery and cost avoidance activities. The contractor is paid for its recovery services through a contingency contract rate for cash recoveries of 15% for the first $20 million recovered, 14% for any recoveries over $20 million and up to $30 million, and 13% for recoveries over $30 million, which resets annually. There is also a "per member per month" (PMPM) rate of $0.235 for cost avoidance services which is based on currently enrolled particpants. Health plans in the MO HealthNet Managed Care program are responsible for the TPL activities related to plan enrollees.

PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s): 11.610**
Program Name: Third Party Liability (TPL) Contracts
Program is found in the following core budget(s): Third Party Liability (TPL) Contracts

2a. Provide an activity measure for the program.

Program Percentage Cost of Total MHD Budget

	SFY17 Actual	SFY18 Actual	SFY19 Actual	SFY20 Projected	SFY21 Projected	SFY22 Projected
Percentage	0.088%	0.094%	0.086%	0.088%	0.087%	0.087%
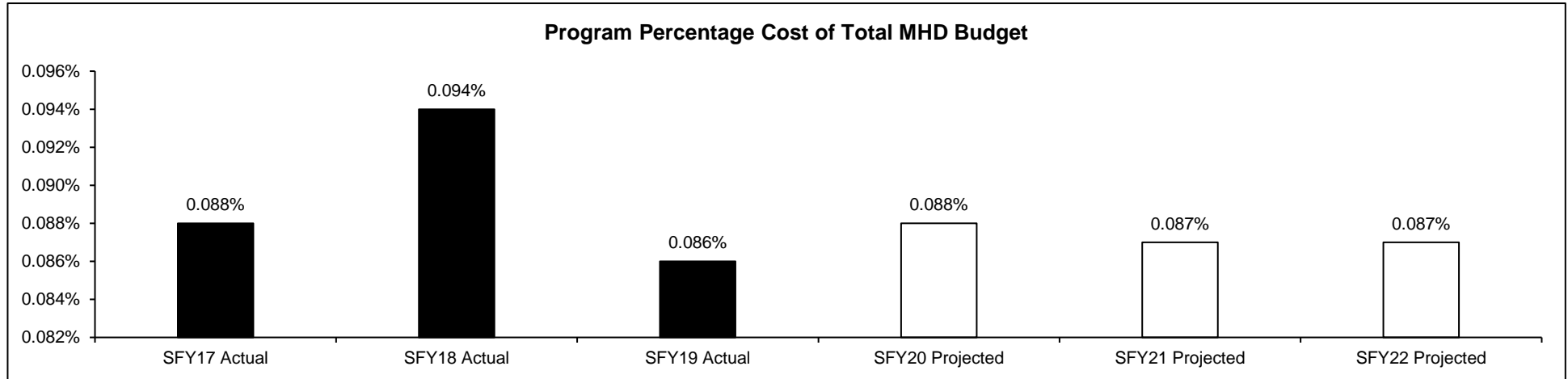
Increase to TPL percentage of budget is based on projected increase in contract cost

2b. Provide a measure of the program's quality.

Cash Recoveries by TPL Contractor

	SFY17 Actual	SFY18 Actual	SFY19 Actual	SFY20 Projected	SFY21 Projected	SFY22 Projected
Amount	$24,312,054	$22,662,449	$19,929,508	$26,000,000	$24,000,000	$24,000,000
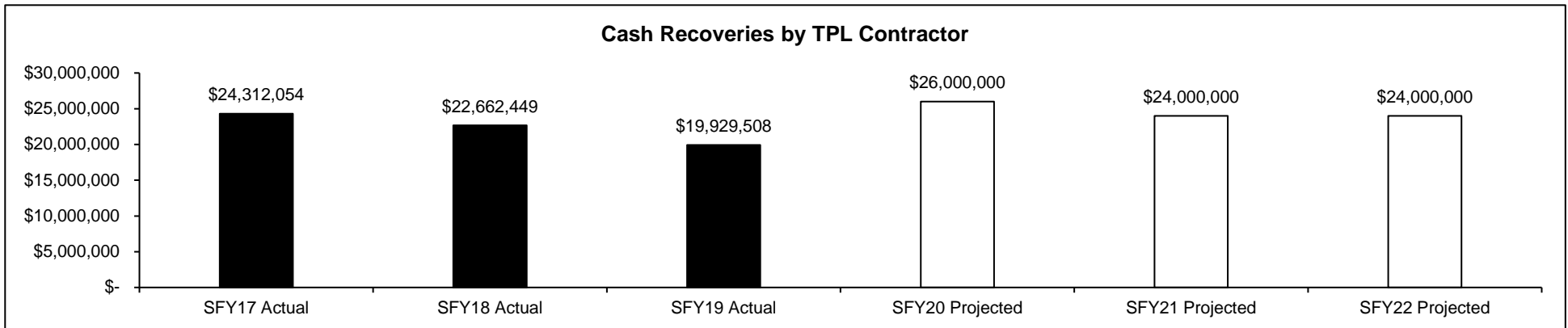
A special project is planned for SFY20 that may cause a jump in cash recoveries by the TPL contractor.

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Third Party Liability (TPL) Contracts
Program is found in the following core budget(s): Third Party Liability (TPL) Contracts

HB Section(s): 11.610

2c. Provide a measure of the program's impact.

TPL Cost Avoidance

	SFY17 Actual	SFY18 Actual	SFY19 Actual	SFY20 Projected	SFY21 Projected	SFY22 Projected
	$168,596,325	$164,223,795	$172,100,973	$168,307,000	$168,307,000	$168,307,000
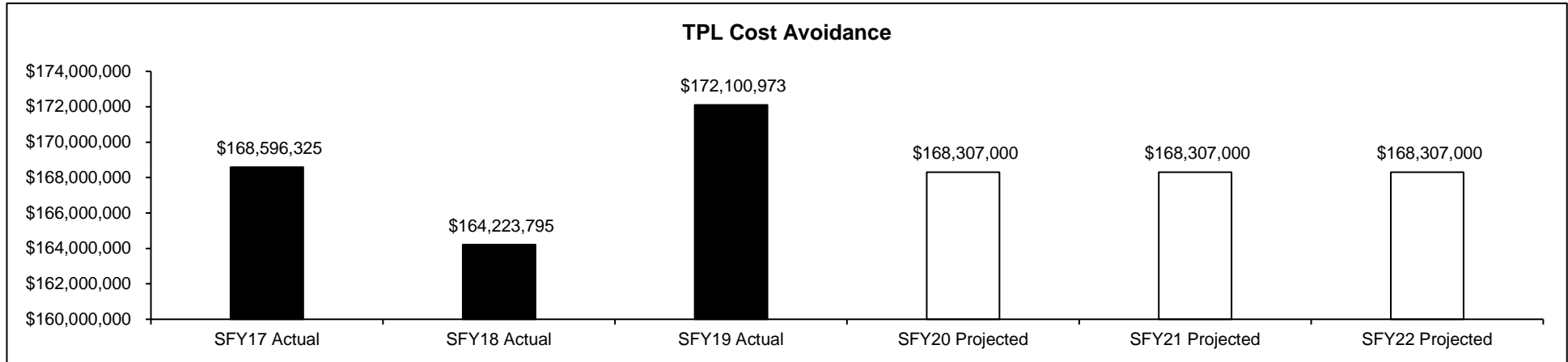
Cost Avoidance in SFY19 was higher due to a special project.

2d. Provide a measure of the program's efficiency.

Number of Participants with TPL Identified

	SFY17 Actual	SFY18 Actual	SFY19 Actual	SFY20 Projected	SFY21 Projected	SFY22 Projected
	133,561	536,232	154,917	154,917	154,917	154,917
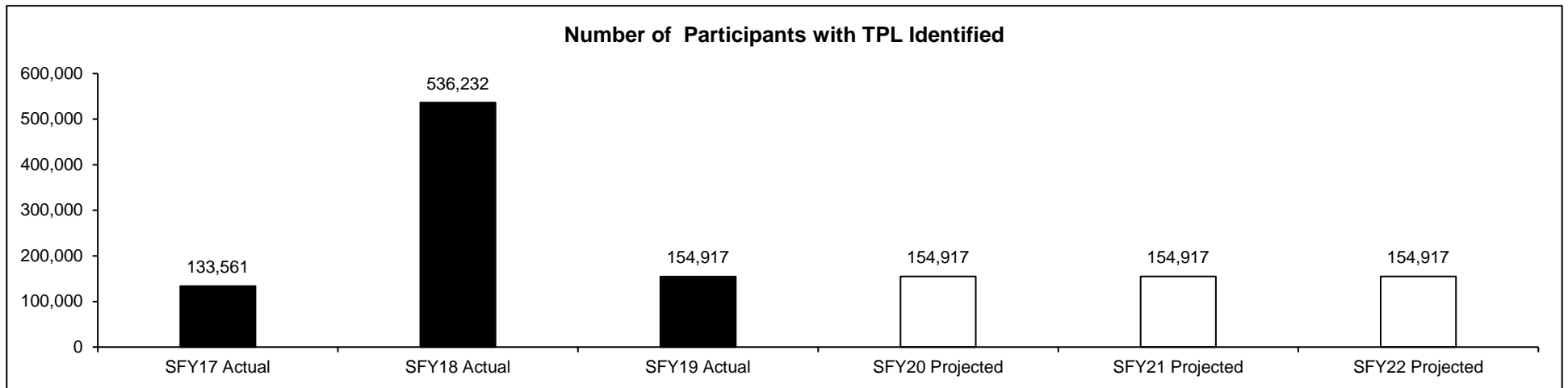
FY18 had a large influx of matches due to an automated system put into place.

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Third Party Liability (TPL) Contracts
Program is found in the following core budget(s): Third Party Liability (TPL) Contracts

HB Section(s): 11.610

3. Provide actual expenditures for the prior three fiscal years; planned expenditures for the current fiscal year; and, when available, the Governor's recommended funding for the upcoming fiscal year. (*Note: Amounts do not include fringe benefit costs.*)

Program Expenditure History

Bar chart showing:

SFY17 Actual: $3,000,000 / $3,000,000 / $6,000,000
SFY18 Actual: $3,000,000 / $3,000,000 / $6,000,000
SFY19 Actual: $2,515,189 / $2,515,189 / $5,030,378
SFY20 Planned: $4,250,000 / $4,250,000 / $8,500,000

Legend: □ GR □ FEDERAL ■ OTHER □ TOTAL

Y-axis: $0, $1,000,000, $2,000,000, $3,000,000, $4,000,000, $5,000,000, $6,000,000, $7,000,000, $8,000,000, $9,000,000
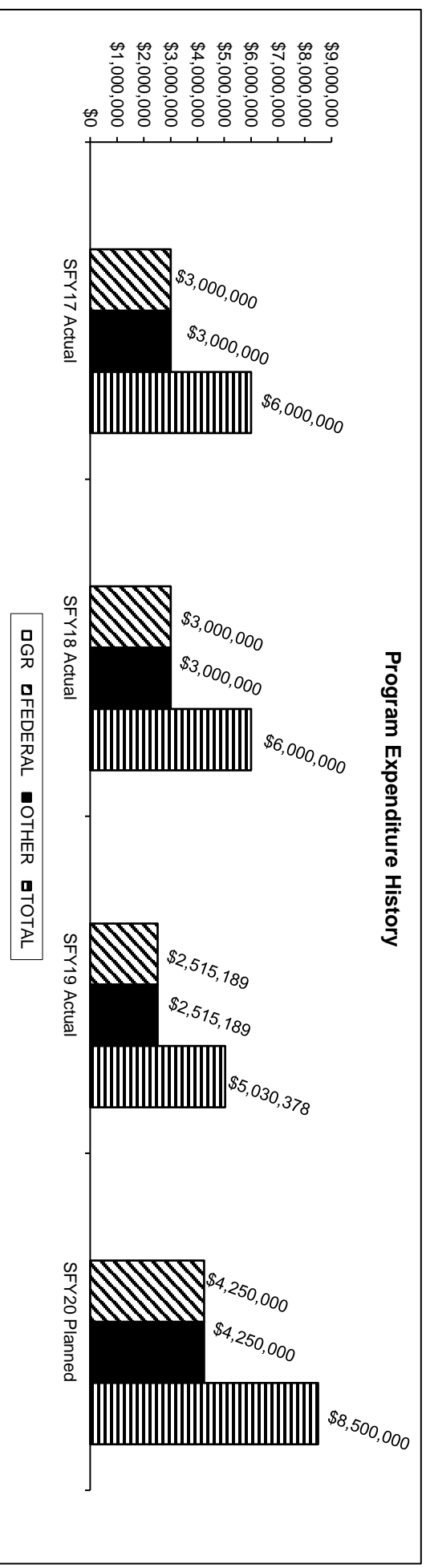
4. What are the sources of the "Other " funds?

Third Pary Liability Collections Fund (0120)

5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: Sections 198.090, 208.101, 208.153, 208.166, 208.215, 473.398, and 473.399, RSMo. State regulation: 13 CSR 70-4.120 and 13 CSR 0-1.010. Federal law: Social Security Act, Section 1902, 1930, 1906, 1912, and 1917. Federal regulation: 42 CFR 433 Subpart D.

6. Are there federal matching requirements? If yes, please explain.

General Medicaid administrative expenditures earn a 50% federal match.

7. Is this a federally mandated program? If yes, please explain.

By Federal Statute Sec. 1102 of the Social Security Act (42 U.S.C. 1302) and federal regulation, (42 CFR 433.138) - Identifying liable third parties, States are required to pursue all other available third party resources, who must meet their legal obligation to pay claims before the MO HealthNet program pays for the care of a participant. Missouri is required to take all reasonable measures to ascertain the legal liability of third parties to pay for care and services that are available under the Medicaid State Plan.

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Core - Information Systems

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Information Systems

Budget Unit: 90522C

HB Section: 11.615

1. CORE FINANCIAL SUMMARY

	FY 2021 Budget Request					FY 2021 Governor's Recommendation			
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS					PS				0
EE	27,442,320	75,876,001	2,021,687	105,340,008	EE				0
PSD					PSD				0
TRF					TRF				0
Total	**27,442,320**	**75,876,001**	**2,021,687**	**105,340,008**	**Total**	**0**	**0**	**0**	**0**
FTE	0.00	0.00	0.00	0.00	FTE				0.00

Est. Fringe	*0*	*0*	*0*	*0*	*Est. Fringe*	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Uncompensated Care Fund (0108) - $430,000
  Health Initiatives Fund (0275) - $1,591,687

Other Funds:

2. CORE DESCRIPTION

This core request is for the continued funding of MO HealthNet's Information Systems. Core funding is used to pay for the Medicaid Management Information Systems (MMIS) contract. The MMIS contractor processes fee-for-service (FFS) claims and managed care encounter data, and calculates provider and health plan payments. Managed care encounter data is processed through the system similar to FFS claims. The data is used by the Managed Care Unit for contract administration and rate setting purposes.

3. PROGRAM LISTING (list programs included in this core funding)

Information Systems

CORE DECISION ITEM

Department: Social Services   **Budget Unit: 90522C**
Division: MO HealthNet
Core: Information Systems   **HB Section: 11.615**

4. FINANCIAL HISTORY

	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Current Yr.
Appropriation (All Funds)	81,308,320	67,463,130	84,803,760	105,340,008
Less Reverted (All Funds)	(389,339)	(401,065)	(695,029)	N/A
Less Restricted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	80,918,981	67,062,065	84,108,731	105,340,008
Actual Expenditures (All Funds)	52,918,807	46,722,332	60,280,825	N/A
Unexpended (All Funds)	28,000,174	20,339,733	23,827,906	N/A
Unexpended, by Fund:				
General Revenue	0	0	893,750	N/A
Federal	28,000,174	20,339,733	22,934,156	N/A
Other	0	0	0	N/A
			(1)	(2)
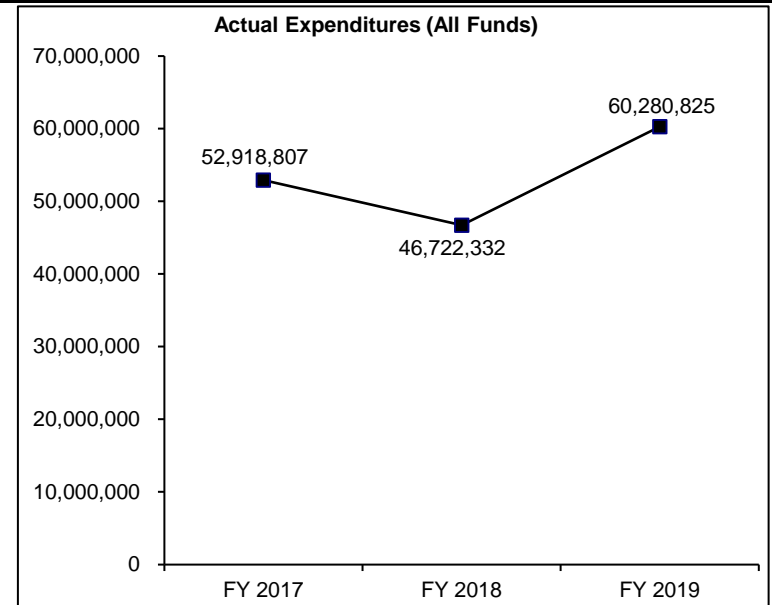
Actual Expenditures (All Funds)

Reverted includes statutory reserve amounts (when applicable).
Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:
(1) FY19 - Funding was reallocated from various program lines to the Information Systems section to pay for contract expenditures.
(2) FY20 - New Decision Items were funded for FY20: MMIS Replacement ($350,000 GR, $3,150,000 FED), MMIS Development ($1,335,750 GR, $5,979,250 FED), Enrollment Broker ($1,320,000 GR, $2,680,000 FED), and MMIS Health Information Exchange ($2,860,624 GR, $2,860,624 FED).

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DEPARTMENT OF SOCIAL SERVICES
INFORMATION SYSTEMS

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	EE	0.00	27,442,320	75,876,000	2,021,687	105,340,007	
	PD	0.00	0	1	0	1	
	Total	0.00	27,442,320	75,876,001	2,021,687	105,340,008	
DEPARTMENT CORE ADJUSTMENTS							
Core Reallocation 711 1439	EE	0.00	0	1	0	1	Core reallocations will more closely align the budget with planned expenditures
Core Reallocation 711 1439	PD	0.00	0	(1)	0	(1)	Core reallocations will more closely align the budget with planned expenditures
NET DEPARTMENT CHANGES		**0.00**	**0**	**0**	**0**	**0**	
DEPARTMENT CORE REQUEST							
	EE	0.00	27,442,320	75,876,001	2,021,687	105,340,008	
	PD	0.00	0	0	0	0	
	Total	0.00	27,442,320	75,876,001	2,021,687	105,340,008	
GOVERNOR'S RECOMMENDED CORE							
	EE	0.00	27,442,320	75,876,001	2,021,687	105,340,008	
	PD	0.00	0	0	0	0	
	Total	0.00	27,442,320	75,876,001	2,021,687	105,340,008	

DECISION ITEM SUMMARY

Budget Unit Decision Item Budget Object Summary Fund	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
INFORMATION SYSTEMS								
CORE								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	20,034,918	0.00	27,442,320	0.00	27,442,320	0.00	0	0.00
DEPT OF SOC SERV FEDERAL & OTH	38,271,971	0.00	75,876,000	0.00	75,876,001	0.00	0	0.00
UNCOMPENSATED CARE FUND	430,000	0.00	430,000	0.00	430,000	0.00	0	0.00
HEALTH INITIATIVES	1,543,936	0.00	1,591,687	0.00	1,591,687	0.00	0	0.00
TOTAL - EE	60,280,825	0.00	105,340,007	0.00	105,340,008	0.00	0	0.00
PROGRAM-SPECIFIC								
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	1	0.00	0	0.00	0	0.00
TOTAL - PD	0	0.00	1	0.00	0	0.00	0	0.00
TOTAL	**60,280,825**	**0.00**	**105,340,008**	**0.00**	**105,340,008**	**0.00**	**0**	**0.00**
CMSP Operational - 1886011								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	0	0.00	0	0.00	438,680	0.00	0	0.00
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	959,984	0.00	0	0.00
TOTAL - EE	0	0.00	0	0.00	1,398,664	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**1,398,664**	**0.00**	**0**	**0.00**
MMIS Core Replacement - 1886007								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	0	0.00	0	0.00	1,200,000	0.00	0	0.00
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	10,800,000	0.00	0	0.00
TOTAL - EE	0	0.00	0	0.00	12,000,000	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**12,000,000**	**0.00**	**0**	**0.00**
MMIS Security Risk Assessment - 1886013								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	0	0.00	0	0.00	842,500	0.00	0	0.00
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	842,500	0.00	0	0.00
TOTAL - EE	0	0.00	0	0.00	1,685,000	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**1,685,000**	**0.00**	**0**	**0.00**

Budget Unit Decision Item Budget Object Summary Fund	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
INFORMATION SYSTEMS								
MMIS Claims Transactions - 1886010								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	0	0.00	0	0.00	100,000	0.00	0	0.00
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	900,000	0.00	0	0.00
TOTAL - EE	0	0.00	0	0.00	1,000,000	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**1,000,000**	**0.00**	**0**	**0.00**
MMIS Drug Rebate Replacement - 1886014								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	0	0.00	0	0.00	725,000	0.00	0	0.00
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	6,525,000	0.00	0	0.00
TOTAL - EE	0	0.00	0	0.00	7,250,000	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**7,250,000**	**0.00**	**0**	**0.00**
MMIS Premium Collections - 1886015								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	0	0.00	0	0.00	250,000	0.00	0	0.00
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	1,050,000	0.00	0	0.00
TOTAL - EE	0	0.00	0	0.00	1,300,000	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**1,300,000**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$60,280,825**	**0.00**	**$105,340,008**	**0.00**	**$129,973,672**	**0.00**	**$0**	**0.00**

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FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: 90522C	DEPARTMENT: Social Services
BUDGET UNIT NAME: Information Systems	
HOUSE BILL SECTION: 11.615	DIVISION: MO HealthNet

1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

DEPARTMENT REQUEST

Total	% Flex	Flex Amount	Not more than one quarter of one percent (.25%) flexibility is requested between sections 11.600, 11.615, 11.630, 11.645, 11.660, 11.675, 11.690, and 11.695.
$129,973,672	0.25%	$324,934	

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED	CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED	BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED
N/A	HB11 language allows up to .25% flexibility between 11.600, 11.615, 11.630, 11.645, 11.660, 11.675, 11.690, and 11.695.	.25% flexiblity is being requested for FY21

3. Please explain how flexibility was used in the prior and/or current years.

PRIOR YEAR EXPLAIN ACTUAL USE	CURRENT YEAR EXPLAIN PLANNED USE
N/A	Flex is to be used to pay for contracted expenditures through the Administration and Information System program lines.

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
INFORMATION SYSTEMS								
CORE								
SUPPLIES	45,944	0.00	0	0.00	0	0.00	0	0.00
COMMUNICATION SERV & SUPP	0	0.00	2	0.00	0	0.00	0	0.00
PROFESSIONAL SERVICES	60,234,881	0.00	105,340,005	0.00	105,340,008	0.00	0	0.00
TOTAL - EE	**60,280,825**	**0.00**	**105,340,007**	**0.00**	**105,340,008**	**0.00**	**0**	**0.00**
PROGRAM DISTRIBUTIONS	0	0.00	1	0.00	0	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**1**	**0.00**	**0**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$60,280,825**	**0.00**	**$105,340,008**	**0.00**	**$105,340,008**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	$20,034,918	0.00	$27,442,320	0.00	$27,442,320	0.00		0.00
FEDERAL FUNDS	$38,271,971	0.00	$75,876,001	0.00	$75,876,001	0.00		0.00
OTHER FUNDS	$1,973,936	0.00	$2,021,687	0.00	$2,021,687	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s): 11.615**
Program Name: Information Systems
Program is found in the following core budget(s): Information Systems

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1a. What strategic priority does this program address?

Timely automated processing and reporting

1b. What does this program do?

The Information Systems program area manages the Medicaid Management Information System (MMIS) and the contracts with the vendors that develop, operate, and maintain the system.

The primary functions of the MMIS include claims and encounter processing, calculating provider payments, healthcare service provider management, drug rebate invoicing and collection, processing third party liability, federal financial reporting, administrative workflow management, and reporting and analytics.

The primary goal of the MMIS is to support the operation of the MO HealthNet Program by accomplishing the following:
- Automation of key business processes to support the program policies and processes to ensure compliance with federal and state law
- Access for providers and users to program and participant eligibility information required to support provision of services to program participants
- Timely and accurate claims processing and payment to providers
- Timely and accurate processing of capitation payments to Managed Care health plans
- Accurate reporting of program costs and outcomes to Centers for Medicare & Medicaid Services (CMS) and maximization of federal financial participation
- Comprehensive and accurate reporting and analytics services and sharing of claims data to support administrative and program decision support, monitoring of program metrics, and improvements in program quality and care management
- Ongoing system modifications to support new program initiatives, meet changing federal and state program requirements, and further business automation
- Procurement and implementation of replacement MMIS subsystems and services in compliance with federal MMIS enhanced funding requirements

The state receives enhanced federal funding for the development and operation of the MMIS. The Information Systems program area manages the enhanced funding including review of CMS regulations and guidance, the submission of planning documents to CMS to request enhanced funding, and the review and approval of system-related costs.

CMS updated the rule related to the enhanced funding in December 2016, and continues to issue sub-regulatory guidance that is changing the conditions for receiving enhanced funding for investments in Information Technology. The guidance encourages the replacement of legacy MMIS systems such as Missouri's system with more modular and reusable solutions. MO HealthNet is working on several system procurement projects intended to replace MMIS subsystems with solutions utilizing modern technologies and complying with the CMS conditions. The procurement and replacement of MMIS systems requires a multi-year effort, and a significant capital investment, but offers future cost savings through technology that is less expensive to operate and maintain, and is more flexible allowing for quicker implementation of program changes. As part of the MMIS procurement effort, MO HealthNet has awarded a contract for a Business Intelligence Solution and Enterprise Data Warehouse (BIS/EDW) and Missouri Medicaid Audit and Compliance (MMAC) has awarded a contract for a Program Integrity Solution.

PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s): 11.615**
Program Name: Information Systems
Program is found in the following core budget(s): Information Systems

2a. Provide an activity measure(s) for the program.

The MMIS supports the program through the automation of business processes, allowing the program to complete millions of transactions with providers and health plans utilizing a minimal number of staff.

Average Monthly Claims Processed

	SFY17 Actual	SFY18 Actual	SFY19 Actual	SFY20 Projected	SFY21 Projected	SFY22 Projected
Claims	9,746,909	9,334,093	9,526,833	9,636,871	9,733,240	9,830,572

(Chart axis: 7,500,000 / 8,000,000 / 8,500,000 / 9,000,000 / 9,500,000 / 10,000,000 / 10,500,000)

2b. Provide a measure(s) of the program's quality.

Percentage of claims paid or denied each month by Medicaid Management Information System (MMIS)

Claim Payment Status for Claims Adjudicated

	SFY17 Actual	SFY18 Actual	SFY19 Actual	SFY20 Projected	SFY21 Projected	SFY22 Projected
Paid	89%	88%	86%	88%	89%	90%
Denied	11%	12%	14%	12%	11%	10%

(Chart axis: 0% / 20% / 40% / 60% / 80% / 100%)

Legend: ■ Actual Paid ▨ Actual Denied ▢ Projected Paid ▤ Projected Denied

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Information Systems
Program is found in the following core budget(s): Information Systems

HB Section(s): 11.615

2c. Provide a measure(s) of the program's impact.

Amount paid to providers by MMIS on claims adjudicated monthly during the fiscal year.

Average Monthly Dollar Amounts Paid

	SFY17 Actual	SFY18 Actual	SFY19 Actual	SFY20 Projected	SFY21 Projected	SFY22 Projected
Dollars (In Millions)	$629	$627	$627	$627	$626	$625

2d. Provide a measure(s) of the program's efficiency.

Promptly pay claims to providers per Fedural regulation 42 CFR 447.45(d), state must pay 90% of clean claims received within 30 days of receipt.

Claims Paid Within 30 Days of Receipt

	SFY17 Actual	SFY18 Actual	SFY19 Actual	SFY20 Projected	SFY21 Projected	SFY22 Projected
Percentage	99.97%	99.93%	99.72%	99.97%	99.97%	99.97%

90%

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HB Section(s): 11.615

Department: Social Services
Program Name: Information Systems
Program is found in the following core budget(s): Information Systems

Average Time to Process a Claim

Time (In Seconds)

	SFY17 Actual	SFY18 Actual	SFY19 Actual	SFY20 Projected	SFY21 Projected	SFY22 Projected
Time	0.59	0.30	0.29	0.29	0.29	0.29

Efficiency Measure: Promptly process "clean" claims in less than one day.

3. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year. (*Note: Amounts do not include fringe benefit costs.*)

Program Expenditure History

	GR	FEDERAL	OTHER	TOTAL
SFY17 Actual	$11,044,695	$39,900,176	$1,973,936	$52,918,807
SFY18 Actual	$11,423,835	$33,324,561	$1,973,936	$46,722,332
SFY19 Actual	$20,034,918	$38,271,971	$1,973,936	$60,280,825
SFY20 Planned	$27,442,320	$75,876,001	$2,021,687	$105,340,008
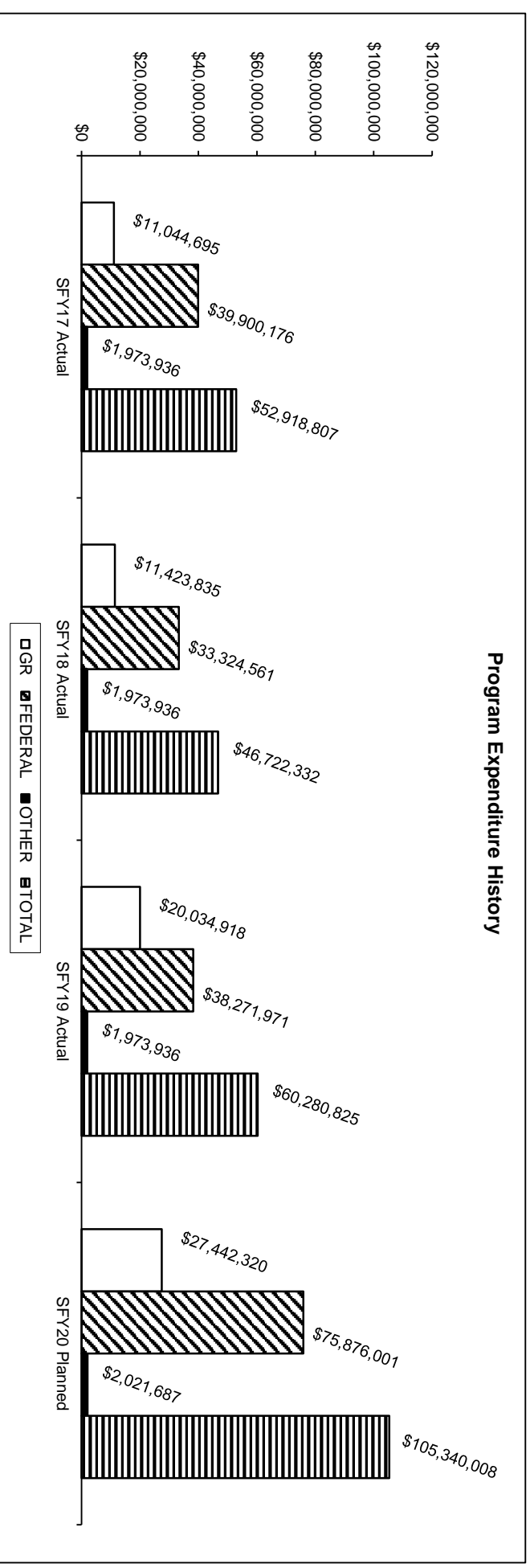
PROGRAM DESCRIPTION

Department: Social Services　　　　　　　　　　　　　　　　　　　　　　　　**HB Section(s): 11.615**
Program Name: Information Systems
Program is found in the following core budget(s): Information Systems

4. What are the sources of the "Other " funds?

Health Initiatives Fund (0275)
Uncompensated Care Fund (0108)

5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: Sections 208.166 and 208.201, RSMo. Federal law: Social Security Act Section 1902(a)(4), 1903(a)(3) and 1915(b). Federal Regulation: 42 CFR 433(C) and 438; Children's Health Insurance Program State Plan Amendment.

6. Are there federal matching requirements? If yes, please explain.

Expenditures for MMIS operations have three different federal financial participation (FFP) rates. The majority of MMIS expenditures earn 75% FFP and require 25% state share. Functions earning 75% include MMIS base operations and call center operations. Approved system enhancements earn 90% FFP and require 10% state share. Enrollment broker services, postage and general Medicaid administrative expenditures earn 50% FFP and requires 50% state share.

7. Is this a federally mandated program? If yes, please explain.

Yes. Section 1902(a)(4) of the Social Security Act requires such methods of administration as necessary for the proper and efficient administration of the Medicaid State Plan.

NDI - MMIS
Claims Transactions

Department: Social Services   **Budget Unit: 90522C**
Division: MO HealthNet
DI Name: MMIS Claims Transactions   **DI# 1886010**   **HB Section: 11.615**

1. AMOUNT OF REQUEST

	FY 2021 Budget Request						FY 2021 Governor's Recommendation			
	GR	**Federal**	**Other**	**Total**			**GR**	**Federal**	**Other**	**Total**
PS						**PS**				0
EE	100,000	900,000		1,000,000		**EE**				0
PSD						**PSD**				0
TRF						**TRF**				0
Total	**100,000**	**900,000**	**0**	**1,000,000**		**Total**	**0**	**0**	**0**	**0**
FTE	**0.00**	**0.00**	**0.00**	**0.00**		**FTE**				**0.00**
Est. Fringe	*0*	*0*	*0*	*0*		***Est. Fringe***	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: N/A

Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program		Fund Switch
x	Federal Mandate		Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan		Other:		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

The Administrative Simplification provision of the Health Insurance Portability and Accountability Act (HIPAA) requires all healthcare providers and health plans to utilize common transactions to exchange information electronically to support the delivery of healthcare services, billing, claims processing, and payment. CMS has released a new version of the ASC X12 transactions – version 7030 – for comment. CMS anticipates requiring all providers and health plans to adopt the new transaction standards, but has not yet provided a timeline. The National Council for Prescription Drug Programs (NCPDP) has released a new version of the pharmacy claim transactions – Version F2 - and intends to require implementation of the new transactions with the X12 Version 7030 implementation. Federal Mandate 45 CFR Part 162 [CMS-0009-F]. MO HealthNet received funding authority of $3 million ($300,000 GR) in SFY 2019 for the implementation of version 7030, this request is for an additional $1 million ($100,000 GR) to accommodate the cost of implementing Version F2.

Department: Social Services   **Budget Unit: 90522C**
Division: MO HealthNet
DI Name: MMIS Claims Transactions   **DI# 1886010**   **HB Section: 11.615**

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4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

Pharmacy claim transaction - Version F2, will be required with the implementation of the new version of the ACS X12 transactions.

	FTE	GR	Fed	Other	Total	Match
Pharmacy Claims Transaction, Version F2	0	100,000	900,000	0	1,000,000	90/10
TOTAL	0	100,000	900,000	0	1,000,000	

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5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total EE	100,000		900,000		0		1,000,000		0
Grand Total	100,000	0.0	900,000	0.0	0	0.0	1,000,000	0.0	0

Department: Social Services   **Budget Unit: 90522C**
Division: MO HealthNet
DI Name: MMIS Claims Transactions   **DI# 1886010**   **HB Section: 11.615**
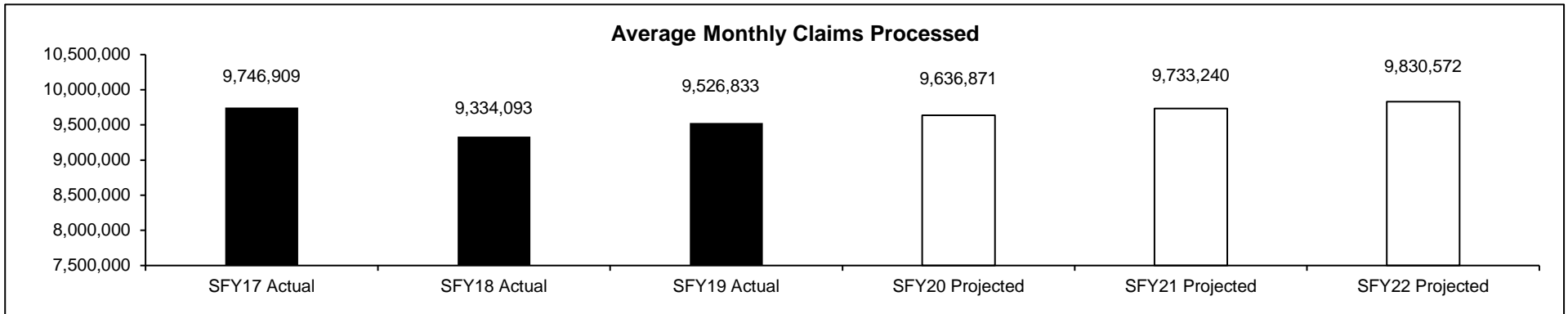
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6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)
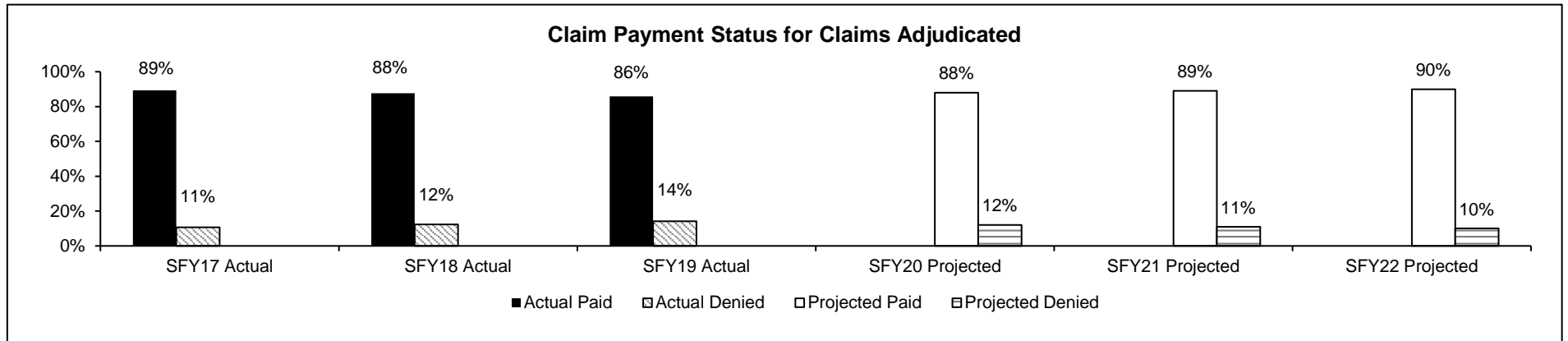

6a. Provide an activity measure for the program.

The MMIS supports the program through the automation of business processes, allowing the program to complete millions of transactions with providers and health plans utilizing a minimal number of staff.

Average Monthly Claims Processed

	SFY17 Actual	SFY18 Actual	SFY19 Actual	SFY20 Projected	SFY21 Projected	SFY22 Projected
	9,746,909	9,334,093	9,526,833	9,636,871	9,733,240	9,830,572

6b. Provide a measure of the program's quality.

Percentage of claims paid or denied each month by Medicaid Management Information System (MMIS)

Claim Payment Status for Claims Adjudicated

	SFY17 Actual	SFY18 Actual	SFY19 Actual	SFY20 Projected	SFY21 Projected	SFY22 Projected
Paid	89%	88%	86%	88%	89%	90%
Denied	11%	12%	14%	12%	11%	10%

■ Actual Paid   ▤ Actual Denied   ☐ Projected Paid   ▤ Projected Denied

Department: Social Services   **Budget Unit: 90522C**

Division: MO HealthNet

DI Name: MMIS Claims Transactions   **DI# 1886010**   **HB Section: 11.615**
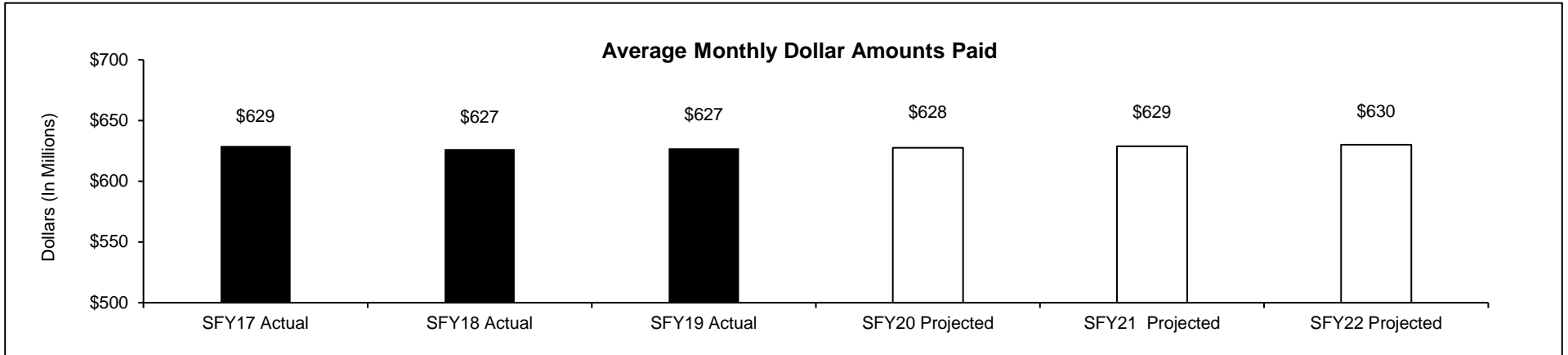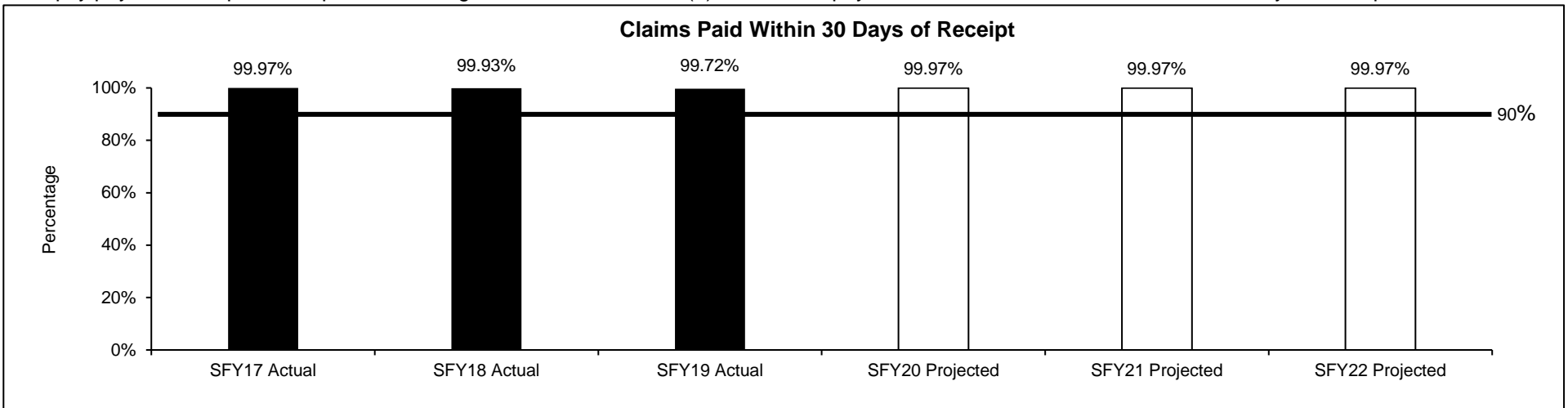
6c. Provide a measure of the program's impact.

Amount paid to providers by MMIS on claims adjudicated monthly during the fiscal year.

Average Monthly Dollar Amounts Paid

	SFY17 Actual	SFY18 Actual	SFY19 Actual	SFY20 Projected	SFY21 Projected	SFY22 Projected
Dollars (In Millions)	$629	$627	$627	$628	$629	$630

6d. Provide a measure of the program's efficiency

Promptly pay claims to providers per Fedural regulation 42 CFR 447.45(d), state must pay 90% of clean claims received within 30 days of receipt.

Claims Paid Within 30 Days of Receipt

	SFY17 Actual	SFY18 Actual	SFY19 Actual	SFY20 Projected	SFY21 Projected	SFY22 Projected
Percentage	99.97%	99.93%	99.72%	99.97%	99.97%	99.97%

(90% threshold line shown)

Department: Social Services   **Budget Unit: 90522C**
Division: MO HealthNet
DI Name: MMIS Claims Transactions   **DI# 1886010**   **HB Section: 11.615**

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

- Better standards for claims transactions
- An increase in Electronic Data Interchange (EDI) for claims transactions by more covered entities
- Increased use of auxiliary (non-claims transactions such as eligibility and referral requests) and response transactions through EDI

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
INFORMATION SYSTEMS								
MMIS Claims Transactions - 1886010								
PROFESSIONAL SERVICES	0	0.00	0	0.00	1,000,000	0.00	0	0.00
TOTAL - EE	**0**	**0.00**	**0**	**0.00**	**1,000,000**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$1,000,000**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$100,000**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$900,000**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

NDI - CMSP
Operational Costs

NEW DECISION ITEM

RANK: _____23_____ OF _____36_____

Department: Social Services

Budget Unit: 90522C

Division: MO HealthNet

DI Name: CMSP Operational Costs

DI# 1886011

HB Section: 11.615

1. AMOUNT OF REQUEST

	FY 2021 Budget Request					FY 2021 Governor's Recommendation			
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS					PS				0
EE	438,680	959,984		1,398,664	EE				0
PSD					PSD				0
TRF					TRF				0
Total	438,680	959,984	0	1,398,664	Total	0	0	0	0
FTE	0.00	0.00	0.00	0.00	FTE				0.00
Est. Fringe	0	0	0	0	Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: N/A

Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program		Fund Switch
	Federal Mandate		Program Expansion	x	Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan		Other:		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

This request is needed to fund the State Fiscal Year (SFY) 2021 contract extension increase of $1,398,664 for the Clinical Management Services and System for Pharmacy Claims and Prior Authorizations (CMSP) system component of the Medicaid Management Information System (MMIS).

Department: Social Services **Budget Unit: 90522C**
Division: MO HealthNet
DI Name: CMSP Operational Costs **DI# 1886011** **HB Section: 11.615**

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4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

This funding is needed for the yearly increase in the CMSP contract costs, as outlined below. This represents an annual increase in the contract costs to operate and maintain the CMSP. The match rate for CMSP is 75/25.

	FTE	GR	Fed	Other	Total	Match Rate
Increased cost of Wipro contract renewal included in original bid	0	367,181	745,488	0	1,112,669	*75/25 50/50
Increased cost of CMSP Conduent contract renewal included in original bid	0	71,499	214,496	0	285,995	75/25
TOTAL	0	438,680	959,984	0	1,398,664	

*The federal match for the Wipro contract is partially a 50/50 match and a 75/25 match. MHD assumes a combined split of approximately 67%.

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5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total EE	438,680		959,984			0	1,398,664		0
Grand Total	**438,680**	**0.0**	**959,984**	**0.0**	**0**	**0.0**	**1,398,664**	**0.0**	**0**

Department: Social Services   **Budget Unit: 90522C**
Division: MO HealthNet
DI Name: CMSP Operational Costs   **DI# 1886011**   **HB Section: 11.615**

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an activity measure for the program.

The MMIS supports the program through the automation of business processes, allowing the program to complete millions of transactions with providers and health plans utilizing a minimal number of staff.

Average Monthly Claims Processed

	SFY17 Actual	SFY18 Actual	SFY19 Actual	SFY20 Projected	SFY21 Projected	SFY22 Projected
Claims	9,746,909	9,334,093	9,526,833	9,636,871	9,733,240	9,830,572

6b. Provide a measure of the program's quality.

Percentage of claims paid or denied each month by Medicaid Management Information System (MMIS)

Claim Payment Status for Claims Adjudicated

	SFY17 Actual	SFY18 Actual	SFY19 Actual	SFY20 Projected	SFY21 Projected	SFY22 Projected
Paid	89%	88%	86%	88%	89%	90%
Denied	11%	12%	14%	12%	11%	10%

■Actual Paid ▨Actual Denied ☐Projected Paid ▤Projected Denied

Department: Social Services   **Budget Unit: 90522C**
Division: MO HealthNet
DI Name: CMSP Operational Costs   **DI# 1886011**   **HB Section: 11.615**

6c. Provide a measure of the program's impact.

Amount paid to providers by MMIS on claims adjudicated monthly during the fiscal year.

Average Monthly Dollar Amounts Paid

6d. Provide a measure of the program's efficiency

Promptly pay claims to providers per Fedural regulation 42 CFR 447.45(d), state must pay 90% of clean claims received within 30 days of receipt.

Claims Paid Within 30 Days of Receipt

NEW DECISION ITEM
RANK: 23   OF   36

Department: Social Services   **Budget Unit: 90522C**
Division: MO HealthNet
DI Name: CMSP Operational Costs   **DI# 1886011**   **HB Section: 11.615**

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

- Better standards for claims transactions
- An increase in Electronic Data Interchange (EDI) for claims transactions by more covered entities
- Increased use of auxiliary (non-claims transactions such as eligibility and referral requests) and response transactions through EDI

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
INFORMATION SYSTEMS								
CMSP Operational - 1886011								
PROFESSIONAL SERVICES	0	0.00	0	0.00	1,398,664	0.00	0	0.00
TOTAL - EE	**0**	**0.00**	**0**	**0.00**	**1,398,664**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$1,398,664**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$438,680**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$959,984**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

NDI - MMIS
Security Risk Assessments

Department: Social Services   **Budget Unit: 90522C**
Division: MO HealthNet
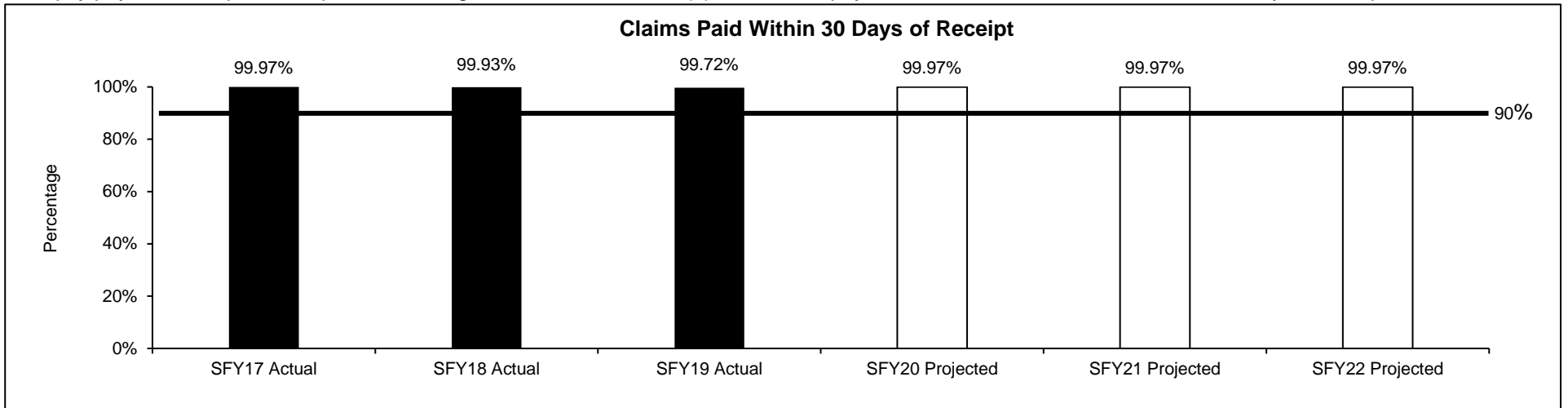**DI Name: MMIS Security Risk Assessments**   **DI# 1886013**   **HB Section: 11.615**

1. AMOUNT OF REQUEST

	FY 2021 Budget Request					FY 2021 Governor's Recommendation			
	GR	**Federal**	**Other**	**Total**		**GR**	**Federal**	**Other**	**Total**
PS					**PS**				0
EE	842,500	842,500		1,685,000	**EE**				0
PSD					**PSD**				0
TRF					**TRF**				0
Total	**842,500**	**842,500**	**0**	**1,685,000**	**Total**	**0**	**0**	**0**	**0**
FTE	**0.00**	**0.00**	**0.00**	**0.00**	**FTE**				**0.00**

Est. Fringe	0	0	0	0	**Est. Fringe**	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: N/A   Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program		Fund Switch
x	Federal Mandate	x	Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan		Other:		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

This project will involve contracting for security risk assessments of the Medicaid Management Information System (MMIS), Clinical Management System for Pharmacy (CMSP) and the Business Intelligence Solution – Enterprise Data Warehouse (BIS-EDW). With the increasing attempts to compromise public systems and access personal information for use in identify theft or fraud and abuse, MO HealthNet considers it prudent to utilize independent contractors to conduct periodic security risk assessments on these systems. The risk assessments will identify security risks that the system vendors and the State will work to mitigate.

Federal Authorization: Section 95.621(f) of the Social Security Act and the Health Insurance Portability and Accountability Act of 1996 (HIPAA) as defined through 45 CFR Park 160 and Part 164, Subparts A and C.

NEW DECISION ITEM

RANK: 25   OF   36

Department: Social Services   Budget Unit: 90522C
Division: MO HealthNet
DI Name: MMIS Security Risk Assessments   DI# 1886013   HB Section: 11.615

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

The risk assessments will be conducted in accordance with the National Institute of Standards and Technology (NIST) Special Publication 880-30 and the International Organization for Standardization (ISO)/International Electro technical Commission (IEC) Information Security Standard 27005.
Security risk assessments conducted on the MMIS and CMSP in the past resulted in the identification of security risks. Follow up efforts by the system vendors and the state resulted in the mitigation of many of those risks, thereby improving the protection of citizen personal health information. Failure to conduct periodic security risk assessments increases the risk of security vulnerabilities existing in the state systems that could expose citizen personal health information to theft or misuse.

The federal Office of Civil Rights (OCR) has the authority under HIPAA to assess significant penalties against the state for failing to adequately protect health information, and allow for inappropriate disclosure or theft. OCR has assessed damages in excess of a million dollars for security breaches at health organizations.

	FTE	GR	Fed	Other	Total	Match
MMIS Security Risk Assessment	0	842,500	842,500	0	1,685,000	50/50
TOTAL	0	842,500	842,500	0	1,685,000	

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Dept. Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total EE	842,500		842,500		0		1,685,000		0
Grand Total	842,500	0.0	842,500	0.0	0	0.0	1,685,000	0.0	0

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Department: Social Services   **Budget Unit: 90522C**
Division: MO HealthNet
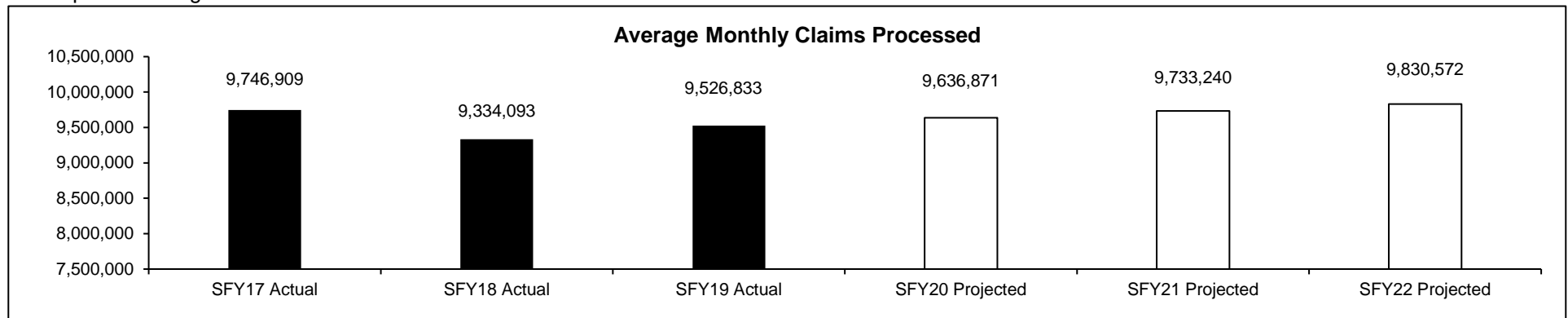**DI Name: MMIS Security Risk Assessments**   **DI# 1886013**   **HB Section: 11.615**

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6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an activity measure for the program.
The MMIS supports the program through the automation of business processes, allowing the program to complete millions of transactions with providers and health plans utilizing a minimal number of staff.

Average Monthly Claims Processed

	SFY17 Actual	SFY18 Actual	SFY19 Actual	SFY20 Projected	SFY21 Projected	SFY22 Projected
	9,746,909	9,334,093	9,526,833	9,636,871	9,733,240	9,830,572

6b. Provide a measure of the program's quality.
Percentage of claims paid or denied each month by Medicaid Management Information System (MMIS)

Claim Payment Status for Claims Adjudicated

	SFY17 Actual	SFY18 Actual	SFY19 Actual	SFY20 Projected	SFY21 Projected	SFY22 Projected
Paid	89%	88%	86%	88%	89%	90%
Denied	11%	12%	14%	12%	11%	10%

■Actual Paid   ▨Actual Denied   ☐Projected Paid   ☐Projected Denied

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Department: Social Services   **Budget Unit: 90522C**
Division: MO HealthNet
DI Name: MMIS Security Risk Assessments   **DI# 1886013**   **HB Section: 11.615**

6c. Provide a measure of the program's impact.

Amount paid to providers by MMIS on claims adjudicated monthly during the fiscal year.

Average Monthly Dollar Amounts Paid

$629	$627	$627	$628	$629	$630
SFY17 Actual	SFY18 Actual	SFY19 Actual	SFY20 Projected	SFY21 Projected	SFY22 Projected

Dollars (In Millions) — axis: $500, $550, $600, $650, $700

6d. Provide a measure of the program's efficiency

Promptly pay claims to providers per Fedural regulation 42 CFR 447.45(d), state must pay 90% of clean claims received within 30 days of receipt.

Claims Paid Within 30 Days of Receipt

99.97%	99.93%	99.72%	99.97%	99.97%	99.97%
SFY17 Actual	SFY18 Actual	SFY19 Actual	SFY20 Projected	SFY21 Projected	SFY22 Projected

Percentage — axis: 0%, 20%, 40%, 60%, 80%, 100%

90%

140

Department: Social Services   **Budget Unit: 90522C**
Division: MO HealthNet
DI Name: MMIS Security Risk Assessments   **DI# 1886013**   **HB Section: 11.615**

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

MO HealthNet will conduct periodic risk analyses to ensure that appropriate, cost-effective safeguards are incorporated into the Medicaid Management Information System (MMIS), Clinical Management System for Pharmacy (CMSP) and the Business Intelligence Solution – Enterprise Data Warehouse (BIS-EDW). The risk assessments will be conducted in accordance with the National Insitute of Standards and Technology (NIST) Special Publication 880-30 and the International Organization for Standardization (ISO)/International Electrotechnical Commission (IEC) Information Security Standard 27005.

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
INFORMATION SYSTEMS								
MMIS Security Risk Assessment - 1886013								
PROFESSIONAL SERVICES	0	0.00	0	0.00	1,685,000	0.00	0	0.00
TOTAL - EE	**0**	**0.00**	**0**	**0.00**	**1,685,000**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$1,685,000**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$842,500**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$842,500**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

NDI - MMIS
Drug Rebate System Replacement

NEW DECISION ITEM

RANK: <u>27</u> OF <u>36</u>

Department: Social Services   Budget Unit: 90522C
Division: MO HealthNet
DI Name: MMIS Drug Rebate System Replacement   DI# 1886014   HB Section: 11.615

1. AMOUNT OF REQUEST

	FY 2021 Budget Request						FY 2021 Governor's Recommendation			
	GR	Federal	Other	Total			GR	Federal	Other	Total
PS						PS				0
EE	725,000	6,525,000		7,250,000		EE				0
PSD						PSD				0
TRF						TRF				0
Total	725,000	6,525,000	0	7,250,000		Total	0	0	0	0
FTE	0.00	0.00	0.00	0.00		FTE				0.00

Est. Fringe	0	0	0	0		Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: N/A   Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program		Fund Switch
	Federal Mandate		Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan	x	Other: Replacement of Drug Rebate Solution		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

The current drug rebate subsystem within the Medicaid Management Information System (MMIS) lacks functionality that prevents MHD from maximizing drug rebate revenues including the following:

• The drug rebate subsystem is unable to generate electronic invoices, which are desired by the drug manufacturers

• The lack of a electronic invoices makes it more difficult to match drug rebates paid by the drug manufacturers to the invoiced amounts at the drug line level. This makes it difficult for MHD staff to determine what drug rebate lines were partially paid by the manufacturers and can be further pursued.

Department: Social Services   **Budget Unit: 90522C**
Division: MO HealthNet
DI Name: MMIS Drug Rebate System Replacement   **DI# 1886014**   **HB Section: 11.615**

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

The drug rebate subsystem within the core MMIS lacks the ability to generate electronic invoices and accurately track pharmacy manufacturer rebate payments to the original rebate invoices. MO HealthNet has determined that multiple commercial off-the-shelf solutions are available for managing a drug rebate program that offers significant functionality improvements over the existing MMIS drug rebate subsystem.

	FTE	GR	Fed	Other	Total	Match Rate
Drug Rebate System Replacement	0	725,000	6,525,000	0	7,250,000	90/10
TOTAL	0	725,000	6,525,000	0	7,250,000	

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total EE	725,000		6,525,000			0	7,250,000		0
Grand Total	725,000	0.0	6,525,000	0.0	0	0.0	7,250,000	0.0	0

Department: Social Services   **Budget Unit: 90522C**

Division: MO HealthNet

DI Name: MMIS Drug Rebate System Replacement   **DI# 1886014**   **HB Section: 11.615**

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6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an activity measure for the program.

The MMIS supports the program through the automation of business processes, allowing the program to complete millions of transactions with providers and health plans utilizing a minimal number of staff.

Average Monthly Claims Processed

	SFY17 Actual	SFY18 Actual	SFY19 Actual	SFY20 Projected	SFY21 Projected	SFY22 Projected
Claims	9,746,909	9,334,093	9,526,833	9,636,871	9,733,240	9,830,572

6b. Provide a measure of the program's quality.

Percentage of claims paid or denied each month by Medicaid Management Information System (MMIS)

Claim Payment Status for Claims Adjudicated

	SFY17 Actual	SFY18 Actual	SFY19 Actual	SFY20 Projected	SFY21 Projected	SFY22 Projected
Paid	89%	88%	86%	88%	89%	90%
Denied	11%	12%	14%	12%	11%	10%

■ Actual Paid   ▨ Actual Denied   ☐ Projected Paid   ☐ Projected Denied

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Department: Social Services   **Budget Unit: 90522C**
Division: MO HealthNet
DI Name: MMIS Drug Rebate System Replacement   **DI# 1886014**   **HB Section: 11.615**

6c. Provide a measure of the program's impact.
Amount paid to providers by MMIS on claims adjudicated monthly during the fiscal year.

Average Monthly Dollar Amounts Paid

SFY17 Actual	SFY18 Actual	SFY19 Actual	SFY20 Projected	SFY21 Projected	SFY22 Projected
$629	$627	$627	$628	$629	$630

Dollars (In Millions)

6d. Provide a measure of the program's efficiency
Promptly pay claims to providers per Fedural regulation 42 CFR 447.45(d), state must pay 90% of clean claims received within 30 days of receipt.

Claims Paid Within 30 Days of Receipt

SFY17 Actual	SFY18 Actual	SFY19 Actual	SFY20 Projected	SFY21 Projected	SFY22 Projected
99.97%	99.93%	99.72%	99.97%	99.97%	99.97%

90%

Percentage

Department: Social Services   **Budget Unit: 90522C**
Division: MO HealthNet
DI Name: MMIS Drug Rebate System Replacement   **DI# 1886014**   **HB Section: 11.615**

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

Vendors offering drug rebate solutions also offer services to assist with negotiating drug rebates with manufacturers and resolving disputes. Between the improvements in drug rebate invoicing and collections resulting from an improved drug rebate solution and the vendor negotiation services, MHD is estimating a five percent annual increase in drug rebate revenues.

DECISION ITEM DETAIL

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
INFORMATION SYSTEMS								
MMIS Drug Rebate Replacement - 1886014								
PROFESSIONAL SERVICES	0	0.00	0	0.00	7,250,000	0.00	0	0.00
TOTAL - EE	**0**	**0.00**	**0**	**0.00**	**7,250,000**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$7,250,000**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$725,000**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$6,525,000**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

NDI - MMIS
Premium Collections

Department: Social Services   **Budget Unit: 90522C**
Division: MO HealthNet
DI Name: MMIS Premium Collections   **DI# 1886015**   **HB Section: 11.615**

1. AMOUNT OF REQUEST

	FY 2021 Budget Request					FY 2021 Governor's Recommendation			
	GR	**Federal**	**Other**	**Total**		**GR**	**Federal**	**Other**	**Total**
PS					**PS**				0
EE	250,000	1,050,000		1,300,000	**EE**				0
PSD					**PSD**				0
TRF					**TRF**				0
Total	**250,000**	**1,050,000**	**0**	**1,300,000**	**Total**	**0**	**0**	**0**	**0**
FTE	**0.00**	**0.00**	**0.00**	**0.00**	**FTE**				**0.00**

Est. Fringe	*0*	*0*	*0*	*0*	***Est. Fringe***	*0*	*0*	*0*	*0*
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.					*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*				

Other Funds: N/A   Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program		Fund Switch
	Federal Mandate		Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan	**x**	Other: Replacement of Premium Collection Solution		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

Funding is needed to implement a Premium Collections solution as part of the Enrollment Broker project. The current solution for Premium Collections for CHIP, Ticket-to-Work, and Spend down involves seven state systems to generate and mail paper invoices, track payments, and make refunds. Outsourcing the premium collections function will allow the members to pay their premiums online, and receive their invoices electronically.

This project will bring the Enrollment Broker into compliance with CMS requirements as defined in the new Managed Care rule (42 CFR 438.10), including the publication of a provider directory for both Managed Care and Fee for Service participants. Also, this project funds a robust web portal to allow members to select a health plan, select a provider, and view and pay premium invoices using an online payment method.

Department: Social Services   **Budget Unit: 90522C**
Division: MO HealthNet
DI Name: MMIS Premium Collections   **DI# 1886015**   **HB Section: 11.615**

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

Funding is needed to implement a Premium Collections solution as part of the Enrollment Broker project. The funding request is $1,000,000 at 90/10 match for Design, Development, and Implementation (DDI). An additional $300,000 is being requested for Maintenance and Operations (M&O), which is at a 50/50 match. The current solution for Premium Collections for CHIP, Ticket-to-Work, and Spend down involves seven state systems to generate and mail paper invoices, track payments, and make refunds. Outsourcing the premium collections function will allow the members to pay their premiums online and receive their invoices electronically.

	FTE	GR	Fed	Other	Total	Match Rate
Premium Collections Solution, DDI	0	100,000	900,000	0	1,000,000	90/10
Premium Collections Solution, M&O	0	150,000	150,000	0	300,000	50/50
TOTAL	**0**	**250,000**	**1,050,000**	**0**	**1,300,000**	

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total EE	250,000		1,050,000			0	1,300,000		0
Grand Total	250,000	0.0	1,050,000	0.0	0	0.0	1,300,000	0.0	0

Department: Social Services   **Budget Unit: 90522C**
Division: MO HealthNet
DI Name: MMIS Premium Collections   **DI# 1886015**   **HB Section: 11.615**

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6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an activity measure for the program.

The MMIS supports the program through the automation of business processes, allowing the program to complete millions of transactions with providers and health plans utilizing a minimal number of staff.

Average Monthly Claims Processed

SFY17 Actual	SFY18 Actual	SFY19 Actual	SFY20 Projected	SFY21 Projected	SFY22 Projected
9,746,909	9,334,093	9,526,833	9,636,871	9,733,240	9,830,572

6b. Provide a measure of the program's quality.

Percentage of claims paid or denied each month by Medicaid Management Information System (MMIS)

Claim Payment Status for Claims Adjudicated

	SFY17 Actual	SFY18 Actual	SFY19 Actual	SFY20 Projected	SFY21 Projected	SFY22 Projected
Paid	89%	88%	86%	88%	89%	90%
Denied	11%	12%	14%	12%	11%	10%

■ Actual Paid   ▨ Actual Denied   ☐ Projected Paid   ▤ Projected Denied

Department: Social Services   **Budget Unit: 90522C**
Division: MO HealthNet
DI Name: MMIS Premium Collections   **DI# 1886015**   **HB Section: 11.615**

6c. Provide a measure of the program's impact.

Amount paid to providers by MMIS on claims adjudicated monthly during the fiscal year.

Average Monthly Dollar Amounts Paid

	SFY17 Actual	SFY18 Actual	SFY19 Actual	SFY20 Projected	SFY21 Projected	SFY22 Projected
	$629	$627	$627	$628	$629	$630

6d. Provide a measure of the program's efficiency

Promptly pay claims to providers per Fedural regulation 42 CFR 447.45(d), state must pay 90% of clean claims received within 30 days of receipt.

Claims Paid Within 30 Days of Receipt

	SFY17 Actual	SFY18 Actual	SFY19 Actual	SFY20 Projected	SFY21 Projected	SFY22 Projected
	99.97%	99.93%	99.72%	99.97%	99.97%	99.97%

90%

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

● Re-procure current Enrollment Broker Call Center and mailings
● Procure an online provider directory for both Managed Care and Fee for Service participants
● Procure a web portal to allow members to select a health plan, select a provider, and view and pay premium invoices using online payment methods.
● Replace Enrollment Broker and Premium Collections solutions with a complete, commercial off-the-shelf (COTS) solution.

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
INFORMATION SYSTEMS								
MMIS Premium Collections - 1886015								
PROFESSIONAL SERVICES	0	0.00	0	0.00	1,300,000	0.00	0	0.00
TOTAL - EE	**0**	**0.00**	**0**	**0.00**	**1,300,000**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$1,300,000**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	$0	0.00	$0	0.00	$250,000	0.00		0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$1,050,000	0.00		0.00
OTHER FUNDS	$0	0.00	$0	0.00	$0	0.00		0.00

NDI - MMIS
Core Replacement

Department: Social Services   **Budget Unit: 90522C**
Division: MO HealthNet
DI Name: MMIS Core Replacement   **DI# 1886007**   **HB Section: 11.615**

1. AMOUNT OF REQUEST

	FY 2021 Budget Request					FY 2021 Governor's Recommendation			
	GR	**Federal**	**Other**	**Total**		**GR**	**Federal**	**Other**	**Total**
PS					**PS**				0
EE	1,200,000	10,800,000		12,000,000	**EE**				0
PSD					**PSD**				0
TRF					**TRF**				0
Total	**1,200,000**	**10,800,000**	**0**	**12,000,000**	**Total**	**0**	**0**	**0**	**0**
FTE	**0.00**	**0.00**	**0.00**	**0.00**	**FTE**				**0.00**

Est. Fringe	*0*	*0*	*0*	*0*	*Est. Fringe*	*0*	*0*	*0*	*0*
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.					*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*				

Other Funds: N/A   Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program		Fund Switch
x	Federal Mandate		Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan		Other:		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

This funding is requested to replace the core Medicaid Management Information System (MMIS), the set of MMIS modules which handle Medicaid claims processing and financial transactions. The Centers for Medicare and Medicaid Services (CMS) has provided guidance that states must replace legacy MMIS systems to continue receiving enhanced federal funding. Replacement of the core MMIS is part of the MMIS strategic roadmap, and is aligned with the DSS Revitalizing Organizational Infrastructure Placemat Initiative, as well as the initiative related to Identifying and Prioritizing Technological Needs.

The majority of the funding for FY21 will be for contracted vendor and start up costs.

Department: Social Services   **Budget Unit: 90522C**
Division: MO HealthNet
DI Name: MMIS Core Replacement   **DI# 1886007**   **HB Section: 11.615**

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4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

The core MMIS replacement will offer several direct benefits to the program, and to state business processes including the following:
• Increased automation will create more efficient and effective business processes, as well as more efficient use of staff time;
• The program will produce cost savings by implementing new service delivery and payment models in a timely manner;
• Improvements in system edits and prior authorizations will improve the integrity of the program while reducing losses associated with fraud, waste, or abuse;
• Replaces the core claims processing system with a modern, scalable, and flexible solution;
• Implements a configurable solution that allows for quicker deployment of program changes;
• Improves program and financial reporting with improvements in the way claim and encounter data is captured, and allows for financial categorization of costs to be better aligned with federal and state budgeting and reporting; and
• Ensures continued MMIS enhanced funding.

The intent of the core MMIS replacement project is to replace the claims processing and financial system that includes the following key functions:
• Eligible participants and providers tracking;
• Benefit packages management;
• Fee-For-Service (FFS) claims processing;
• Electronic data exchange with providers;
• FFS claims pricing and payment;
• Managed Care capitation payment processing;
• Managed Care encounter processing;
• Managed Care withholds and releases; and
• Financial transaction processing and reporting.

	GR	Fed	Total	Match Rate
Core MMIS Replacement	1,200,000	10,800,000	12,000,000	90/10
TOTAL	**1,200,000**	**10,800,000**	**12,000,000**	

Department: Social Services   **Budget Unit: 90522C**
Division: MO HealthNet
DI Name: MMIS Core Replacement   **DI# 1886007**   **HB Section: 11.615**

	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class									
Total EE	1,200,000		10,800,000		0		12,000,000		0
Grand Total	1,200,000	0.0	10,800,000	0.0	0	0.0	12,000,000	0.0	0

Department: Social Services   **Budget Unit: 90522C**
Division: MO HealthNet
DI Name: MMIS Core Replacement   **DI# 1886007**   **HB Section: 11.615**

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6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an activity measure for the program.

The MMIS supports the program through the automation of business processes, allowing the program to complete millions of transactions with providers and health plans utilizing a minimal number of staff.

Average Monthly Claims Processed

	SFY17 Actual	SFY18 Actual	SFY19 Actual	SFY20 Projected	SFY21 Projected	SFY22 Projected
	9,746,909	9,334,093	9,526,833	9,636,871	9,733,240	9,830,572

6b. Provide a measure of the program's quality.

Percentage of claims paid or denied each month by the Medicaid Management Information System (MMIS).

Claim Payment Status for Claims Adjudicated

	SFY17 Actual	SFY18 Actual	SFY19 Actual	SFY20 Projected	SFY21 Projected	SFY22 Projected
Paid	89%	88%	86%	88%	89%	90%
Denied	11%	12%	14%	12%	11%	10%

■ Actual Paid   ▨ Actual Denied   ☐ Projected Paid   ☐ Projected Denied

Department: Social Services   **Budget Unit: 90522C**
Division: MO HealthNet
DI Name: MMIS Core Replacement   **DI# 1886007**   **HB Section: 11.615**

6c. Provide a measure of the program's impact.

Amount paid to providers by MMIS for claims adjudicated monthly during the fiscal year.

Average Monthly Dollar Amounts Paid

	SFY17 Actual	SFY18 Actual	SFY19 Actual	SFY20 Projected	SFY21 Projected	SFY22 Projected
Dollars (In Millions)	$629	$627	$627	$628	$629	$630

6d. Provide a measure of the program's efficiency

Promptly pay claims to providers per Fedural regulation 42 CFR 447.45(d), state must pay 90% of clean claims received within 30 days of receipt.

Claims Paid Within 30 Days of Receipt

	SFY17 Actual	SFY18 Actual	SFY19 Actual	SFY20 Projected	SFY21 Projected	SFY22 Projected
Percentage	99.97%	99.93%	99.72%	99.97%	99.97%	99.97%

90%

158
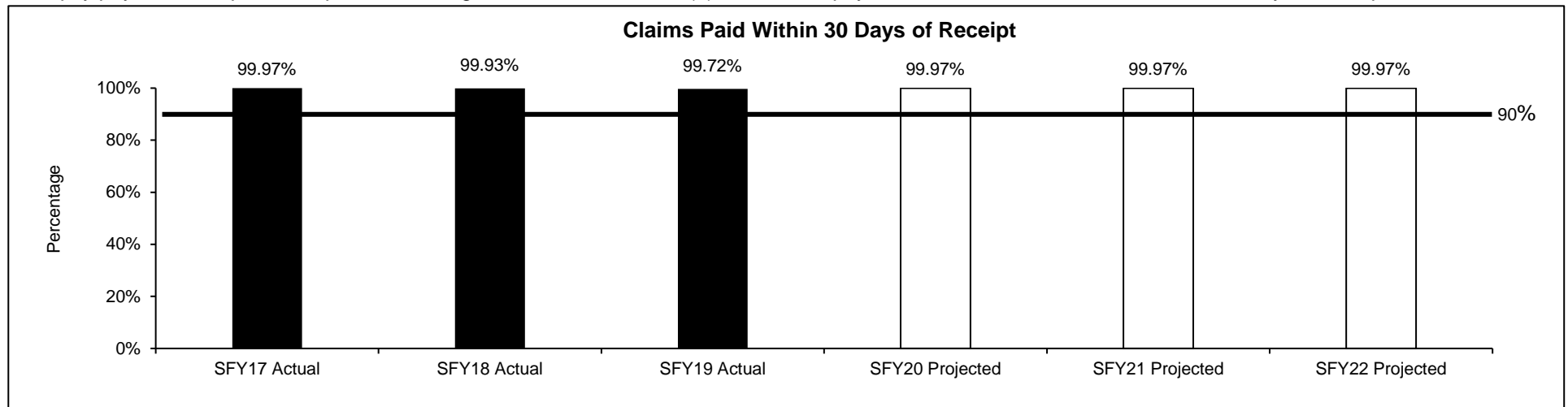
Department: Social Services   **Budget Unit: 90522C**
Division: MO HealthNet
DI Name: MMIS Core Replacement   **DI# 1886007**   **HB Section: 11.615**

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

● Procure a vendor and solution capable of meeting CMS requirements and guidance. Choose the appropriate vendor from the National Association of State Procurement Officers (NASPO) qualified vendor list.

● Procure a vendor with a complete solution that can provide virtually all required MMIS functionality with a system that has been implemented in other states.

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
INFORMATION SYSTEMS								
MMIS Core Replacement - 1886007								
PROFESSIONAL SERVICES	0	0.00	0	0.00	12,000,000	0.00	0	0.00
TOTAL - EE	**0**	**0.00**	**0**	**0.00**	**12,000,000**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$12,000,000**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$1,200,000**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$10,800,000**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Core - Electronic Health Records Incentives

Department: Social Services
Division: MO HealthNet
Core: Electronic Health Records Incentives

Budget Unit: 90523C

HB Section: 11.620

1. CORE FINANCIAL SUMMARY

	FY 2021 Budget Request					FY 2021 Governor's Recommendation			
	GR	**Federal**	**Other**	**Total**		**GR**	**Fed**	**Other**	**Total**
PS					**PS**				0
EE		1,509,200		1,509,200	**EE**				0
PSD		26,490,800		26,490,800	**PSD**				0
TRF					**TRF**				0
Total	0	28,000,000	0	28,000,000	**Total**	0	0	0	0
FTE	0.00	0.00	0.00	0.00	**FTE**				0.00

Est. Fringe	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Est. Fringe	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds: N/A

Other Funds:

2. CORE DESCRIPTION

This core request is for funding of the MO HealthNet Electronic Health Record (EHR) Incentive Program, which provides incentive payments to eligible professionals and eligible hospitals that adopt, implement, upgrade, and meaningfully use certified EHR technology.

3. PROGRAM LISTING (list programs included in this core funding)

Electronic Health Records Incentives

CORE DECISION ITEM

Department: Social Services   **Budget Unit: 90523C**
Division: MO HealthNet
Core: Electronic Health Records Incentives   **HB Section: 11.620**

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4. FINANCIAL HISTORY

	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Current Yr.
Appropriation (All Funds)	40,000,000	35,000,000	28,000,000	28,000,000
Less Reverted (All Funds)	0	0	0	N/A
Less Restricted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	40,000,000	35,000,000	28,000,000	28,000,000
Actual Expenditures (All Funds)	31,066,702	29,660,842	8,802,405	N/A
Unexpended (All Funds)	8,933,298	5,339,158	19,197,595	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	8,933,298	5,339,158	19,197,595	N/A
Other	0	0	0	N/A
	(1)	(2)	(3)	
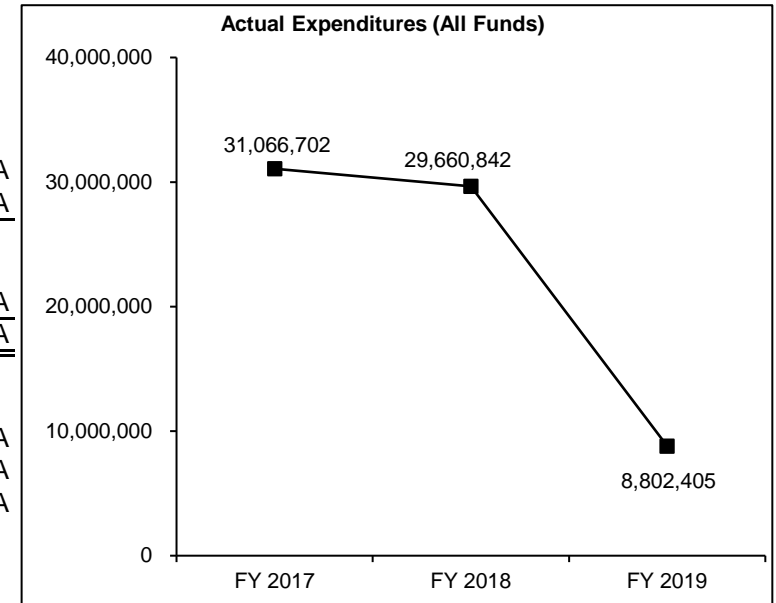
Actual Expenditures (All Funds)

- FY 2017: 31,066,702
- FY 2018: 29,660,842
- FY 2019: 8,802,405

Reverted includes statutory reserve amounts (when applicable).
Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:
(1) FY17 - Reduction due to excess federal authority.
(2) FY18 - Reduction due to excess federal authority.
(3) FY19 - Reduction due to excess federal authority.

DEPARTMENT OF SOCIAL SERVICES
ELECTRONIC HLTH RECORDS INCNTV

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	EE	0.00	0	1,509,200	0	1,509,200	
	PD	0.00	0	26,490,800	0	26,490,800	
	Total	**0.00**	**0**	**28,000,000**	**0**	**28,000,000**	
DEPARTMENT CORE REQUEST							
	EE	0.00	0	1,509,200	0	1,509,200	
	PD	0.00	0	26,490,800	0	26,490,800	
	Total	**0.00**	**0**	**28,000,000**	**0**	**28,000,000**	
GOVERNOR'S RECOMMENDED CORE							
	EE	0.00	0	1,509,200	0	1,509,200	
	PD	0.00	0	26,490,800	0	26,490,800	
	Total	**0.00**	**0**	**28,000,000**	**0**	**28,000,000**	

Budget Unit Decision Item Budget Object Summary Fund	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
ELECTRONIC HLTH RECORDS INCNTV								
CORE								
EXPENSE & EQUIPMENT								
FEDERAL STIMULUS-DSS	1,110,657	0.00	1,509,200	0.00	1,509,200	0.00	0	0.00
TOTAL - EE	1,110,657	0.00	1,509,200	0.00	1,509,200	0.00	0	0.00
PROGRAM-SPECIFIC								
FEDERAL STIMULUS-DSS	7,691,748	0.00	26,490,800	0.00	26,490,800	0.00	0	0.00
TOTAL - PD	7,691,748	0.00	26,490,800	0.00	26,490,800	0.00	0	0.00
TOTAL	**8,802,405**	**0.00**	**28,000,000**	**0.00**	**28,000,000**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$8,802,405**	**0.00**	**$28,000,000**	**0.00**	**$28,000,000**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
ELECTRONIC HLTH RECORDS INCNTV								
CORE								
TRAVEL, IN-STATE	0	0.00	2,000	0.00	2,000	0.00	0	0.00
TRAVEL, OUT-OF-STATE	4,681	0.00	7,000	0.00	7,000	0.00	0	0.00
PROFESSIONAL DEVELOPMENT	0	0.00	200	0.00	200	0.00	0	0.00
PROFESSIONAL SERVICES	1,105,976	0.00	1,500,000	0.00	1,500,000	0.00	0	0.00
TOTAL - EE	**1,110,657**	**0.00**	**1,509,200**	**0.00**	**1,509,200**	**0.00**	**0**	**0.00**
PROGRAM DISTRIBUTIONS	7,691,748	0.00	26,490,800	0.00	26,490,800	0.00	0	0.00
TOTAL - PD	**7,691,748**	**0.00**	**26,490,800**	**0.00**	**26,490,800**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$8,802,405**	**0.00**	**$28,000,000**	**0.00**	**$28,000,000**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**
FEDERAL FUNDS	**$8,802,405**	**0.00**	**$28,000,000**	**0.00**	**$28,000,000**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

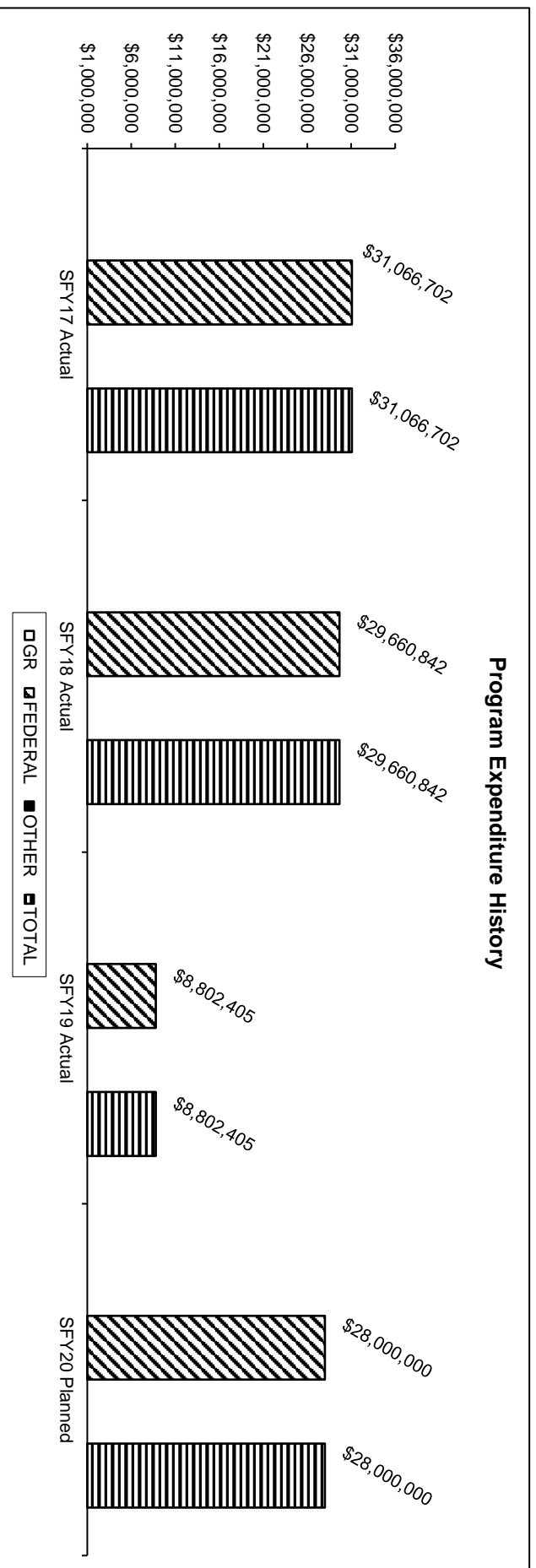**Department: Social Services**   HB Section(s): 11.620
Program Name: Electronic Health Records (EHR) Incentives
Program is found in the following core budget(s): Electronic Health Records Incentives

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1a. What strategic priority does this program address?

Encourage provider use of Electronic Health Records (EHR) to transform Medicaid

---

1b. What does this program do?

This program provides financial incentives to specific Medicaid provider types for the purchase and use of certified EHR systems with specific functionality to promote interoperability and facilitate the exchange of electronic health information. Incentive payments are intended to offset the cost of implementing EHR systems.

Payments are spread over three years for hospitals and six years for professionals, including physicians, dentists, nurse practitioners, certified nurse midwives, and physician assistants. On average hospitals that participate all three years receive $1.5 million total, distributed in three payments with 50% paid in the first year, 35% in the second and 15% in the third. Professionals can receive up to $63,750 total, if they participate for six years, which is the maximum number of years allowed. In order to receive each additional payment, providers are required to demonstrate meaningful use (MU) of the systems by reporting on specific measures. Examples of MU include submitting data to public health registries, providing patients with electronic access to their records and secure electronic messaging, and sending a summary of care record for patients that transition to another setting.

Note: No projections are made beyond SFY21 because the program is ending in 2021. The last day incentive payments can be made is Dec. 31, 2021.

2a.   Provide an activity measure for the program.

In SFY19, 6 finalized incentive payments have been made to hospitals at just over $1 million. A total of 1,608 payments to providers are anticipated for SFY19 attestations, composed of 808 finalized payments and another 800 anticipated payments. This includes $6.8 million in finalized payments with an estimated $6.8 million anticipated, depending on provider performance - which is still being evaluated. The program year for the EHR Incentive Program ended on June 30, 2019. The MHD contractor that manages this part of the program is working through all of the attestations submitted by Missouri providers to ensure they are in full compliance with technical requirements. This kind of careful review is important because it reaffirms audit findings and the need to recoup funds at a later date, which is an administrative burden on both MHD and the providers. The graph shows that as MHD approaches the final year of the program in 2021, the number of payments decreases. The last remaining payments to participating hospitals are expected to be made in SFY21. As each year passes, some professionals receive their sixth and final payment.

PROGRAM DESCRIPTION

Department: Social Services

Program Name: Electronic Health Records (EHR) Incentives

Program is found in the following core budget(s): Electronic Health Records Incentives

HB Section(s): 11.620

Number of EHR Payments Made
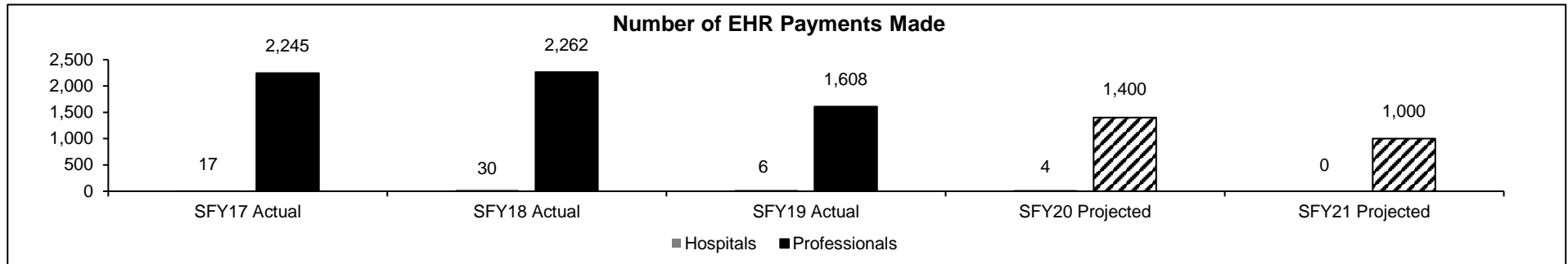
SFY19 number of EHR payments to professionals includes 808 finalized payments and 800 expected payments.

2b. Provide a measure of the program's quality.

The national average for professionals is 50%, the national average for hospitals is 84%. Participants must meet MU to receive payment each year. If they fail in a given year, they may try again the following year. On average, Missouri professionals and hospitals in SFY18 were able to meet their requirements and receive payment more frequently than the national average. This figure has not been updated for SFY19 because complete data on provider performance, mentioned in 2a, is not yet available. MHD expects updated data in October.
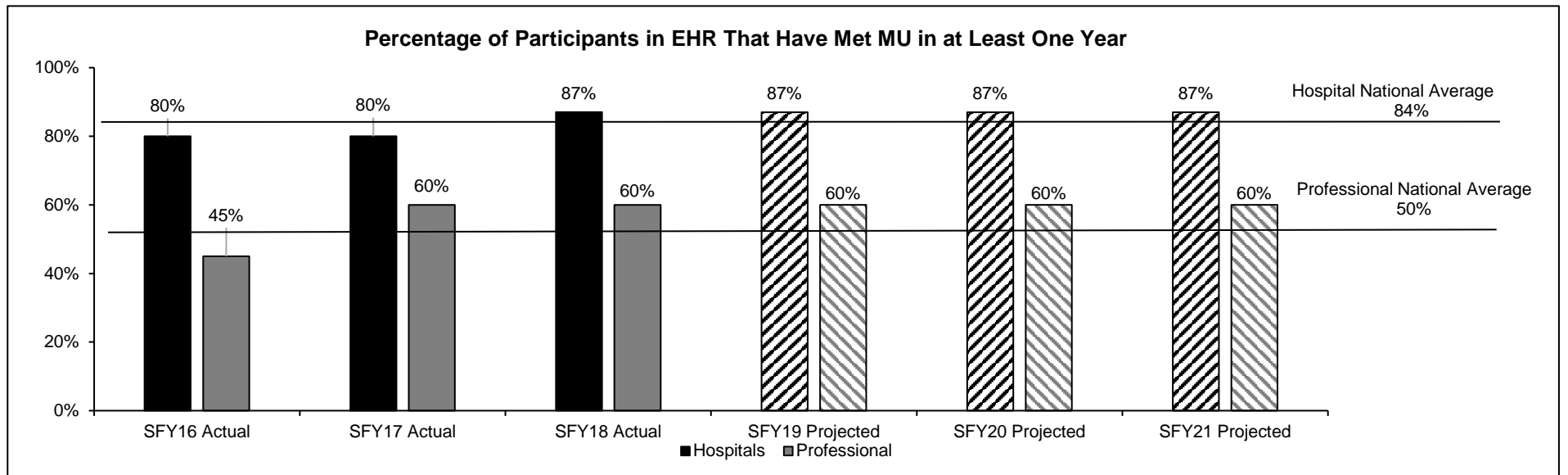
Percentage of Participants in EHR That Have Met MU in at Least One Year

PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s): 11.620**
Program Name: Electronic Health Records (EHR) Incentives
Program is found in the following core budget(s): Electronic Health Records Incentives

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2c.   Provide a measure of the program's impact.

Compared to other states, a recent analysis prepared by the Centers for Medicare and Medicaid Services (CMS) shows that Missouri has a lower ratio of beneficiaries to HITECH participants (the Health Information Technology for Economic and Clinical Health Act (HITECH), Title XIII and Title IV of Section 4201 of the American Recovery and Reinvestment Act of 2009 (ARRA)), which translates to greater access to practices using EHR systems. On average, in Missouri, each practice that uses certified EHRs to improve care is available to 0.48% of Missouri Medicaid patients, compared to the national average of only 0.28% of patients per practice with an EHR system.

Percentage of MHD Participants with Access to EHR

CMS data not available for 2017.

	SFY17 Actual	SFY18 Actual	SFY19 Projected	SFY20 Projected	SFY21 Projected
Missouri		0.53%	0.48%	0.48%	0.48%
National Average		0.28%	0.28%	0.28%	0.28%

■ Missouri   □ National Average
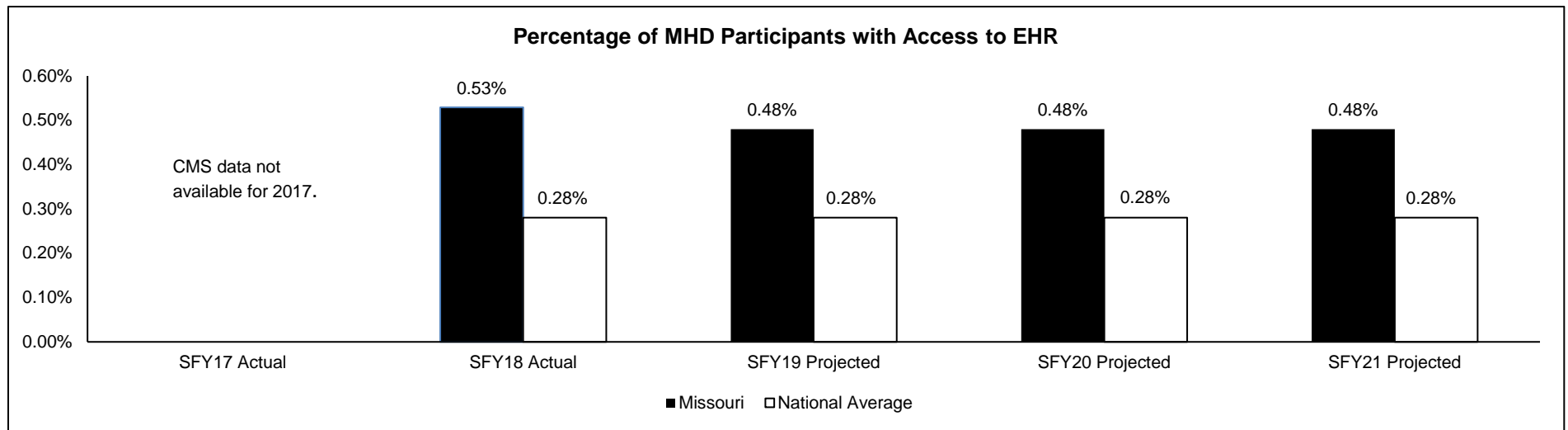
Since the program is no longer accepting new provider participants and the current participation payments are limited to three years for hospitals and six years for professionals, the percentage of MHD participants with access to EHR is expected to drop.

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PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s): 11.620**
Program Name: Electronic Health Records (EHR) Incentives
Program is found in the following core budget(s): Electronic Health Records Incentives

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2d.   Provide a measure of the program's efficiency.

On average, for the first six program years, post payment audits have identified two professionals per year that did not qualify for the program (actual counts ranged from 1 – 6). This demonstrates that pre-payment validation processes are effective, and that payments to providers not eligible occur in less than 1% of applications. To date, payments for all providers identified as ineligible were subsequently recouped. Post payment reviews often lag behind program year payments by 2-3 years, and recoupments collected in a particular year are associated with prior years. The external contractor that performs post-payment audits reports that no recoupments were recommended in SFY19. Maintaining a level dollar amount of recoupments from SFY18, Missouri's lowest recoupment year that experienced recoupments, is a stretch goal in the event that SFY19 was an anomaly.

Non-Eligible Providers Recoupments
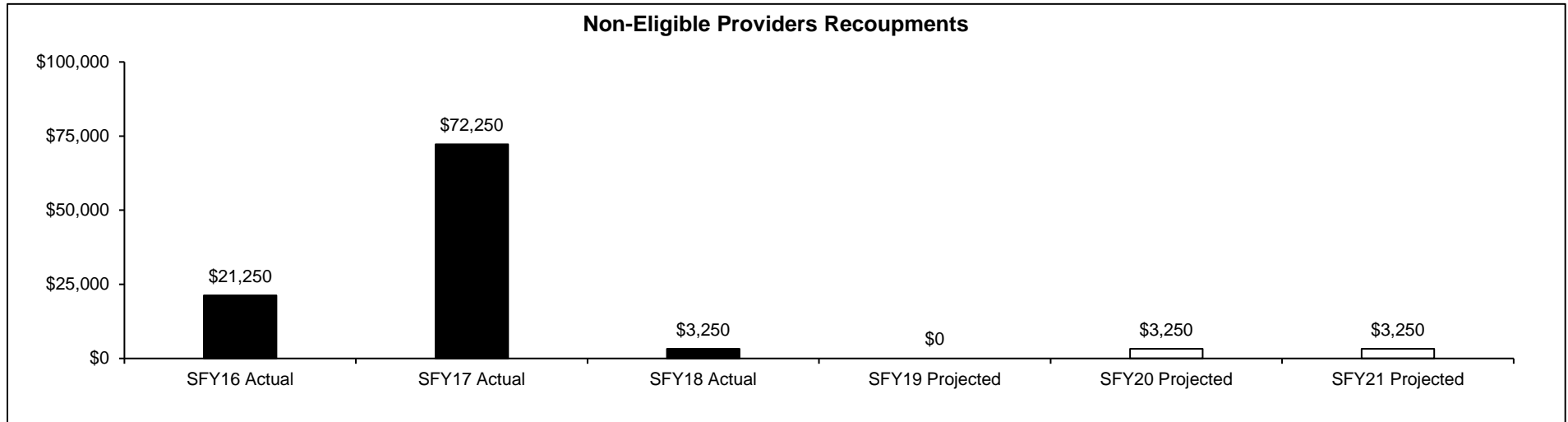
The recoupments were higher in SFY17 because the EHR Incentive Program payments are highest in the first year of participation, with lower amounts distributed after the initial year. This meant that more funds were distributed and providers were less familar with requirements earlier on in the program, leading to more recoupments.

PROGRAM DESCRIPTION

Department: Social Services

Program Name: Electronic Health Records (EHR) Incentives

Program is found in the following core budget(s): Electronic Health Records Incentives

HB Section(s): 11.620

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3. Provide actual expenditures for the prior three fiscal years; planned expenditures for the current fiscal year. (*Note: Amounts do not include fringe benefit costs.*)

Program Expenditure History

SFY17 Actual	$31,066,702
	$31,066,702
SFY18 Actual	$29,660,842
	$29,660,842
SFY19 Actual	$8,802,405
	$8,802,405
SFY20 Planned	$28,000,000
	$28,000,000

Legend: ☐ GR ☑ FEDERAL ■ OTHER ☐ TOTAL

Y-axis: $1,000,000 $6,000,000 $11,000,000 $16,000,000 $21,000,000 $26,000,000 $31,000,000 $36,000,000

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4. What are the sources of the "Other " funds?

N/A

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5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Federal law: ARRA Section 4201. Federal Regulation: 42 CFR Parts 412, 413, 422 and 495.

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6. Are there federal matching requirements? If yes, please explain.

Expenditures for healthcare technology incentives are 100% federal funds. Administrative costs earn a 90% federal match.

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7. Is this a federally mandated program? If yes, please explain.

No.

Core - Hospital Information Technology (HIT)

CORE DECISION ITEM

Department: Social Services   **Budget Unit: 90521C**
Division: MO HealthNet
Core: Hospital Information Technology (HIT)   **HB Section: 11.621**

1. CORE FINANCIAL SUMMARY

	FY 2021 Budget Request					FY 2021 Governor's Recommendation			
	GR	**Federal**	**Other**	**Total**		**GR**	**Federal**	**Other**	**Total**
PS					**PS**				0
EE					**EE**				0
PSD		9,000,000	1,000,000	10,000,000	**PSD**				0
TRF					**TRF**				0
Total	**0**	**9,000,000**	**1,000,000**	**10,000,000**	**Total**	**0**	**0**	**0**	**0**
FTE	**0.00**	**0.00**	**0.00**	**0.00**	**FTE**				**0.00**

Est. Fringe	*0*	*0*	*0*	*0*	*Est. Fringe*	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Federal Reimbursement Allowance (0142) - $1,000,000   Other Funds:

2. CORE DESCRIPTION

This program reimburses the allowable costs of health information technology investments of hospitals and their affiliated information networks, or health information technology providers that have been authorized under a CMS-approved implementation advance planning document amendment submitted by the MO HealthNet Division.

3. PROGRAM LISTING (list programs included in this core funding)

Hospital Information Technology (HIT)
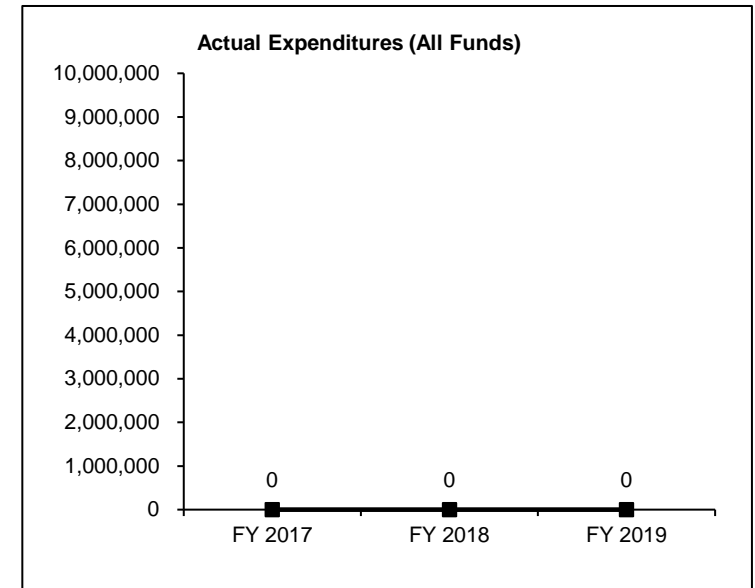
CORE DECISION ITEM

Department: Social Services   **Budget Unit: 90521C**
Division: MO HealthNet
Core: Hospital Information Technology (HIT)   **HB Section: 11.621**

4. FINANCIAL HISTORY

	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Current Yr.
Appropriation (All Funds)	0	0	0	10,000,000
Less Reverted (All Funds)	0	0	0	N/A
Less Restricted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	0	0	0	10,000,000
Actual Expenditures (All Funds)	0	0	0	N/A
Unexpended (All Funds)	0	0	0	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	0	0	0	N/A

Actual Expenditures (All Funds)

Reverted includes statutory reserve amounts (when applicable).
Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

DEPARTMENT OF SOCIAL SERVICES
HOSPITAL HIT

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	0	9,000,000	1,000,000	10,000,000	
	Total	**0.00**	**0**	**9,000,000**	**1,000,000**	**10,000,000**	
DEPARTMENT CORE REQUEST							
	PD	0.00	0	9,000,000	1,000,000	10,000,000	
	Total	**0.00**	**0**	**9,000,000**	**1,000,000**	**10,000,000**	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	0	9,000,000	1,000,000	10,000,000	
	Total	**0.00**	**0**	**9,000,000**	**1,000,000**	**10,000,000**	

DECISION ITEM SUMMARY

Budget Unit Decision Item Budget Object Summary Fund	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
HOSPITAL HIT								
CORE								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	9,000,000	0.00	9,000,000	0.00	0	0.00
FEDERAL REIMBURSMENT ALLOWANCE	0	0.00	1,000,000	0.00	1,000,000	0.00	0	0.00
TOTAL - PD	0	0.00	10,000,000	0.00	10,000,000	0.00	0	0.00
TOTAL	**0**	**0.00**	**10,000,000**	**0.00**	**10,000,000**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$10,000,000**	**0.00**	**$10,000,000**	**0.00**	**$0**	**0.00**

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Budget Unit Decision Item 　Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
HOSPITAL HIT								
CORE								
PROGRAM DISTRIBUTIONS	0	0.00	10,000,000	0.00	10,000,000	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**10,000,000**	**0.00**	**10,000,000**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$10,000,000**	**0.00**	**$10,000,000**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	$0	0.00	$0	0.00	$0	0.00		0.00
FEDERAL FUNDS	$0	0.00	$9,000,000	0.00	$9,000,000	0.00		0.00
OTHER FUNDS	$0	0.00	$1,000,000	0.00	$1,000,000	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s): 11.621**
Program Name: Hospital Information Technology (HIT)
Program is found in the following core budget(s): Hospital Information Technology (HIT)

1a. What strategic priority does this program address?

Reimbursement for Health Information Technology Investments

1b. What does this program do?

This program reimburses the allowable costs of health information technology investments of hospitals and their affiliated information networks, or health information technology providers that have been authorized under a CMS-approved implementation advance planning document amendment submitted by the MO HealthNet Division.

2a.   Provide an activity measure(s) for the program.

MHA will measure and report project measures of Admission Discharge Transfer (ADT) Connectivity, Message Volume and Patient Watchlist Activity as follows:
- Connectivity measures will include the number of ADT connected hospitals in production (connected, tested and routinely submitting ADT data), testing (connected and undergoing ADT stream testing/validation) and targeted for onboarding in the next 30 days (not yet connected).
- Message Volume measures will include total and average daily volume of messages processed by the submitting hospital or system
- Patient Watchlist Activity measures will include total active patient watchlists as well as number of patient watchlists added, updated and deleted in the last 30 days by the submitting hospital or system

2b. Provide a measure(s) of the program's quality.

Project quality measures will include the total and percentage of system availability, excluding planned maintenance during the last 30 days, as well as the volume of system support incidents, both overall and by type (inbound message processing, notification timeliness, portal outage, etc.)

2c.   Provide a measure(s) of the program's impact.

MHA will tabulate and report the number of unique patients identified across active patient watchlists, and 30-day ADT alert volumes associated with active patient watchlists. Additionally, MHA will work with system users to define, measure and evaluate the impact on select patient outcome measures (i.e Emergency Department (ED) utilization volumes, 30-day readmissions) for select patient cohorts of interest.

2d.   Provide a measure(s) of the program's efficiency.

MHA will track and report the minimum, median and maximum time in minutes, from inbound ADT message receipt to ADT notification content transmission to the Hospital Industry Data Institute (HIDI) Notification Portal during the past 30 days.

PROGRAM DESCRIPTION

Department: Social Services

HB Section(s): 11.621

Program Name: Hospital Information Technology (HIT)

Program is found in the following core budget(s): Hospital Information Technology (HIT)

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3. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year. (*Note: Amounts do not include fringe benefit costs.*)

Program Expenditure History

Legend: □GR ▨FEDERAL ■OTHER ▤TOTAL

SFY20 Planned values shown: $9,000,000 (FEDERAL), $1,000,000 (OTHER), $10,000,000 (TOTAL)

Y-axis: $0, $2,000,000, $4,000,000, $6,000,000, $8,000,000, $10,000,000, $12,000,000

X-axis: SFY17 Actual, SFY18 Actual, SFY19 Actual, SFY20 Planned

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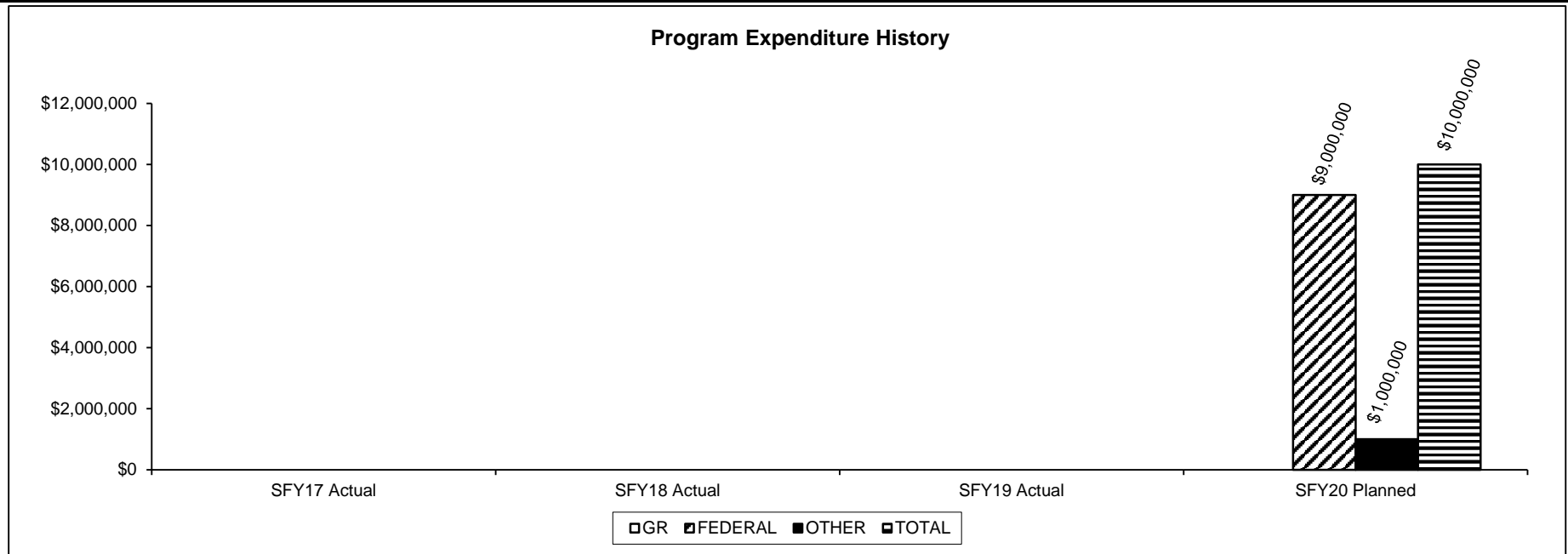
4. What are the sources of the "Other " funds?

Federal Reimbursement Allowance Fund (0142)

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5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

N/A

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6. Are there federal matching requirements? If yes, please explain.

Expenditures earn a 90% federal match.

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7. Is this a federally mandated program? If yes, please explain.

No.

Core - HITECH

CORE DECISION ITEM

Department: Social Services   **Budget Unit: 90530C**
Division: MO HealthNet
Core: HITECH   **HB Section: 11.622**

1. CORE FINANCIAL SUMMARY

	FY 2021 Budget Request					FY 2021 Governor's Recommendation			
	GR	**Federal**	**Other**	**Total**		**GR**	**Federal**	**Other**	**Total**
PS					**PS**				0
EE					**EE**				0
PSD	1,000,000	9,000,000		10,000,000	**PSD**				0
TRF					**TRF**				0
Total	**1,000,000**	**9,000,000**	**0**	**10,000,000**	**Total**	**0**	**0**	**0**	**0**
FTE	**0.00**	**0.00**	**0.00**	**0.00**	**FTE**				**0.00**

Est. Fringe	*0*	*0*	*0*	*0*	***Est. Fringe***	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: N/A

Other Funds:

2. CORE DESCRIPTION

The Health Information Technology for Economic and Clinical Health Act (HITECH) is for expenditures related to connecting eligible medicaid providers under the Medicaid Electronic Health Record (EHR) Incentive Program to other MO HealthNet providers through a health information exchange (HIE) or other interoperable system, or the costs of other activities that promote providers' use of EHR or HIE. Housebill 11 language also requires that no single vendor can be awarded an exclusive contract to provide said services.

3. PROGRAM LISTING (list programs included in this core funding)

Health Information Technology for Economic and Clinical Health Act (HITECH)

CORE DECISION ITEM

Department: Social Services   **Budget Unit: 90530C**
Division: MO HealthNet
Core: HITECH   **HB Section: 11.622**

4. FINANCIAL HISTORY

	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Current Yr.
Appropriation (All Funds)	0	0	0	10,000,000
Less Reverted (All Funds)	0	0	0	N/A
Less Restricted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	0	0	0	10,000,000
Actual Expenditures (All Funds)	0	0	0	N/A
Unexpended (All Funds)	0	0	0	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	0	0	0	N/A

Actual Expenditures (All Funds)

Reverted includes statutory reserve amounts (when applicable).
Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

DEPARTMENT OF SOCIAL SERVICES
HITECH

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	1,000,000	9,000,000	0	10,000,000	
	Total	**0.00**	**1,000,000**	**9,000,000**	**0**	**10,000,000**	
DEPARTMENT CORE REQUEST							
	PD	0.00	1,000,000	9,000,000	0	10,000,000	
	Total	**0.00**	**1,000,000**	**9,000,000**	**0**	**10,000,000**	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	1,000,000	9,000,000	0	10,000,000	
	Total	**0.00**	**1,000,000**	**9,000,000**	**0**	**10,000,000**	

Budget Unit
Decision Item
  Budget Object Summary
    Fund
	FY 2019
	ACTUAL
	DOLLAR
		FY 2019
		ACTUAL
		FTE
			FY 2020
			BUDGET
			DOLLAR
				FY 2020
				BUDGET
				FTE
					FY 2021
					DEPT REQ
					DOLLAR
						FY 2021
						DEPT REQ
						FTE
							*************
							SECURED
							COLUMN
								*************
								SECURED
								COLUMN

HITECH								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	1,000,000	0.00	1,000,000	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	9,000,000	0.00	9,000,000	0.00	0	0.00
TOTAL - PD	0	0.00	10,000,000	0.00	10,000,000	0.00	0	0.00
TOTAL	**0**	**0.00**	**10,000,000**	**0.00**	**10,000,000**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$10,000,000**	**0.00**	**$10,000,000**	**0.00**	**$0**	**0.00**

DECISION ITEM DETAIL

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
HITECH								
CORE								
PROGRAM DISTRIBUTIONS	0	0.00	10,000,000	0.00	10,000,000	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**10,000,000**	**0.00**	**10,000,000**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$10,000,000**	**0.00**	**$10,000,000**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$1,000,000**	**0.00**	**$1,000,000**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$9,000,000**	**0.00**	**$9,000,000**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

PROGRAM DESCRIPTION

Department: Social Services
Program Name: HITECH
Program is found in the following core budget(s): HITECH

HB Section(s): 11.622

1a. What strategic priority does this program address?

Connecting Electronic Health Record Providers

1b. What does this program do?

The Health Information Technology for Economic and Clinical Health Act (HITECH) is for expenditures related to connecting eligible medicaid providers under the Medicaid Electronic Health Record (EHR) Incentive Program to other MO HealthNet providers through a health information exchange (HIE) or other interoperable system or the costs of other activities that promote providers' use of EHR or HIE. Housebill 11 language also requires that no single vendor can be awarded an exclusive contract to provide said services.

2a.   Provide an activity measure(s) for the program.

This is a new program and MHD will have updated measures once data is available. Outcome measures will include the number of eligible professionals and eligible hospitals connected throught this program to a Health Information Network (HIN) and meeting stage 3 meaningful use criteria.

2b. Provide a measure(s) of the program's quality.

This is a new program and MHD will have updated measures once data is available. Outcome measures will include the number of physicians at the eligible professionals or eligible hospitals who are accessing health information through the HINs to improve the care and treatment provided to patients.

2c.   Provide a measure(s) of the program's impact.

This is a new program and MHD will have updated measures once data is available. Outcome measures will include the number of users receiving care management alerts through the HINs to support case management and coordination of care.

2d.   Provide a measure(s) of the program's efficiency.

This is a new program and MHD will have updated measures once data is available. Outcome measures will include the number of physicians at the eligible professionals or eligible hospitals who are accessing health information through the HINs.

PROGRAM DESCRIPTION

Department: Social Services
Program Name: HITECH
Program is found in the following core budget(s): HITECH

HB Section(s): 11.622

3. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year. (*Note: Amounts do not include fringe benefit costs.*)

Program Expenditure History

4. What are the sources of the "Other " funds?

N/A

5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

N/A

6. Are there federal matching requirements? If yes, please explain.

Expenditures earn a 90% federal match.
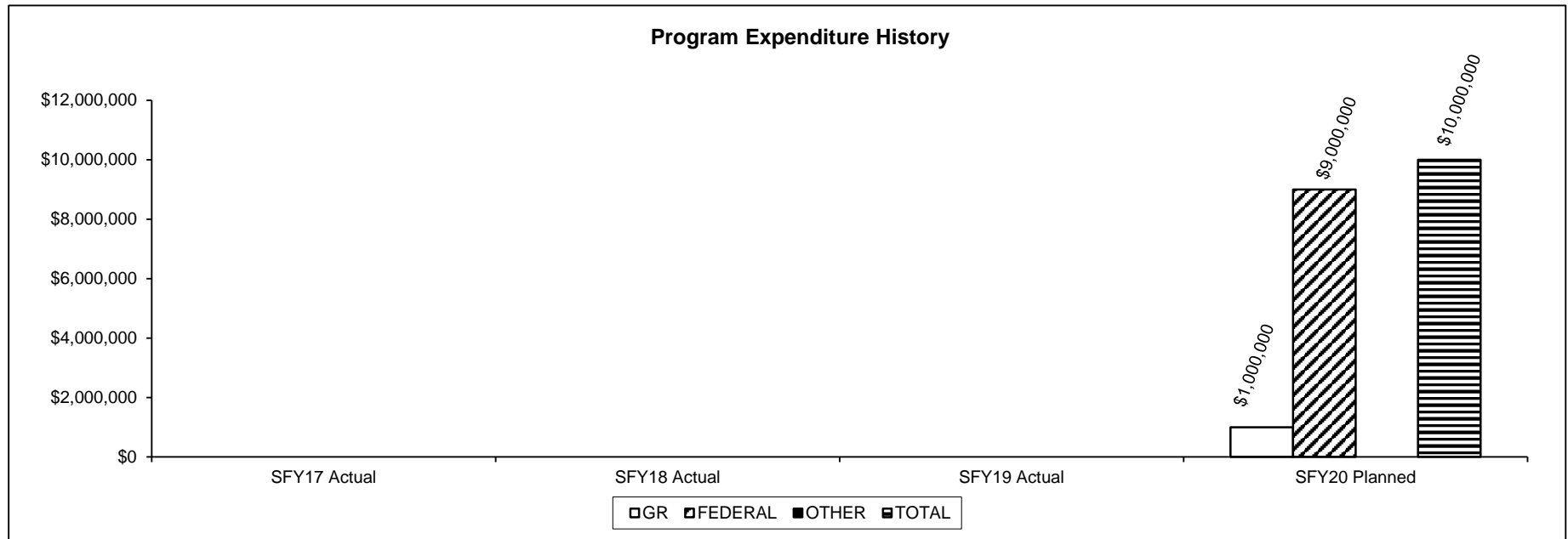
7. Is this a federally mandated program? If yes, please explain.

No.

Core - Money Follows the Person

CORE DECISION ITEM

Department: Social Services   **Budget Unit: 90524C**
Division: MO HealthNet
Core: Money Follows the Person   **HB Section: 11.625**

1. CORE FINANCIAL SUMMARY

	FY 2021 Budget Request					FY 2021 Governor's Recommendation			
	GR	**Federal**	**Other**	**Total**		**GR**	**Federal**	**Other**	**Total**
PS					**PS**				0
EE		507,549		507,549	**EE**				0
PSD		25,000		25,000	**PSD**				0
TRF					**TRF**				0
Total	**0**	**532,549**	**0**	**532,549**	**Total**	**0**	**0**	**0**	**0**
FTE	**0.00**	**0.00**	**0.00**	**0.00**	**FTE**				**0.00**

Est. Fringe	*0*	*0*	*0*	*0*	***Est. Fringe***	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: N/A

Other Funds:

2. CORE DESCRIPTION

This budget item funds administration of the Money Follows the Person Demonstration (MFP) program which transitions individuals who are elderly, disabled, or who have developmental disabilities from nursing facilities or state-owned habilitation centers to Home and Community Based Services.

3. PROGRAM LISTING (list programs included in this core funding)

Money Follows the Person

Department: Social Services   **Budget Unit: 90524C**
Division: MO HealthNet
Core: Money Follows the Person   **HB Section: 11.625**

4. FINANCIAL HISTORY

	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Current Yr.
Appropriation (All Funds)	532,549	532,549	532,549	532,549
Less Reverted (All Funds)	0	0	0	N/A
Less Restricted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	532,549	532,549	532,549	532,549
Actual Expenditures (All Funds)	473,757	368,475	352,124	N/A
Unexpended (All Funds)	58,792	164,074	180,425	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	58,792	164,074	180,425	N/A
Other	0	0	0	N/A
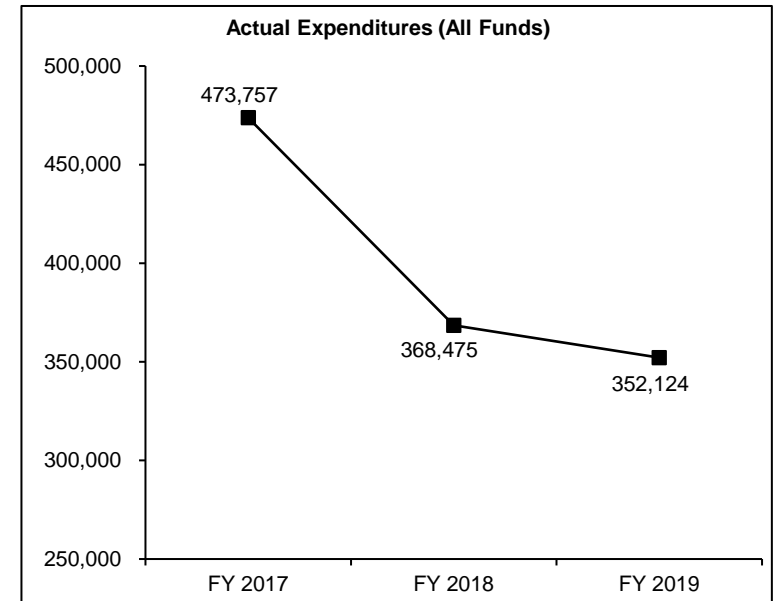
Actual Expenditures (All Funds)

Reverted includes statutory reserve amounts (when applicable).
Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

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DEPARTMENT OF SOCIAL SERVICES
MONEY FOLLOWS THE PERSON GRANT

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	EE	0.00	0	507,549	0	507,549	
	PD	0.00	0	25,000	0	25,000	
	Total	**0.00**	**0**	**532,549**	**0**	**532,549**	
DEPARTMENT CORE REQUEST							
	EE	0.00	0	507,549	0	507,549	
	PD	0.00	0	25,000	0	25,000	
	Total	**0.00**	**0**	**532,549**	**0**	**532,549**	
GOVERNOR'S RECOMMENDED CORE							
	EE	0.00	0	507,549	0	507,549	
	PD	0.00	0	25,000	0	25,000	
	Total	**0.00**	**0**	**532,549**	**0**	**532,549**	

Budget Unit Decision Item Budget Object Summary Fund	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
MONEY FOLLOWS THE PERSON GRANT								
CORE								
EXPENSE & EQUIPMENT								
DEPT OF SOC SERV FEDERAL & OTH	301,826	0.00	507,549	0.00	507,549	0.00	0	0.00
TOTAL - EE	301,826	0.00	507,549	0.00	507,549	0.00	0	0.00
PROGRAM-SPECIFIC								
DEPT OF SOC SERV FEDERAL & OTH	50,298	0.00	25,000	0.00	25,000	0.00	0	0.00
TOTAL - PD	50,298	0.00	25,000	0.00	25,000	0.00	0	0.00
TOTAL	**352,124**	**0.00**	**532,549**	**0.00**	**532,549**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$352,124**	**0.00**	**$532,549**	**0.00**	**$532,549**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
MONEY FOLLOWS THE PERSON GRANT								
CORE								
TRAVEL, IN-STATE	0	0.00	1,000	0.00	1,000	0.00	0	0.00
TRAVEL, OUT-OF-STATE	1,422	0.00	1,086	0.00	1,086	0.00	0	0.00
SUPPLIES	306	0.00	675	0.00	675	0.00	0	0.00
PROFESSIONAL DEVELOPMENT	1,250	0.00	0	0.00	1,250	0.00	0	0.00
PROFESSIONAL SERVICES	297,325	0.00	503,988	0.00	502,738	0.00	0	0.00
BUILDING LEASE PAYMENTS	1,050	0.00	150	0.00	150	0.00	0	0.00
MISCELLANEOUS EXPENSES	473	0.00	650	0.00	650	0.00	0	0.00
TOTAL - EE	**301,826**	**0.00**	**507,549**	**0.00**	**507,549**	**0.00**	**0**	**0.00**
PROGRAM DISTRIBUTIONS	50,298	0.00	25,000	0.00	25,000	0.00	0	0.00
TOTAL - PD	**50,298**	**0.00**	**25,000**	**0.00**	**25,000**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$352,124**	**0.00**	**$532,549**	**0.00**	**$532,549**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	$0	0.00	$0	0.00	$0	0.00		0.00
FEDERAL FUNDS	$352,124	0.00	$532,549	0.00	$532,549	0.00		0.00
OTHER FUNDS	$0	0.00	$0	0.00	$0	0.00		0.00

Department: Social Services
Program Name: Money Follows the Person
Program is found in the following core budget(s): Money Follows the Person

HB Section(s): 11.625

1a. What strategic priority does this program address?

Transition from institutional care to home

1b. What does this program do?

This budget item funds administration of the Money Follows the Person Demonstration (MFP) program which transitions Medicaid eligible individuals who are elderly, disabled, or who have developmental disabilities from nursing facilities or state owned habilitation centers to Home and Community Based Services

Since the first transition in October 2007 through December 31, 2018, the MFP program has successfully transitioned 1,891 Medicaid eligible individuals from institutional settings to the community. MFP received a temporary extension to transition participants in CY19 and plans to assist in the transition of an additional 170 individuals by December 31, 2019.

Once enrolled, participants reside in the MFP program for 365 community days after which they seamlessly transition to the regular HCBS programs. Eligible individuals who transition from institutionalized settings to HCBS are eligible for enhanced federal match for community services for the first year after transition. After one year, community services provided to MFP participants earn the standard FMAP rate. The federal grant also provides up to $2,400 for demonstration transition services to participants transitioning from a nursing facility, as a one-time assistance for transition costs to set up a home in the community.

The MFP grant was due to expire in September of 2020, with the last transition occurring on December 31, 2018. MFP received a temporary extension to transition participants in CY2019, and will continue to follow the participants transitioned for 365 days (including the last transition) through December 31, 2020. The permanent extension was signed by the President on August 6, 2019. This extension will fund the MFP grant through CY2024. MHD is waiting for CMS guidance on how to proceed.

PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s): 11.625**
Program Name: Money Follows the Person
Program is found in the following core budget(s): Money Follows the Person

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2a.   Provide an activity measure(s) for the program.
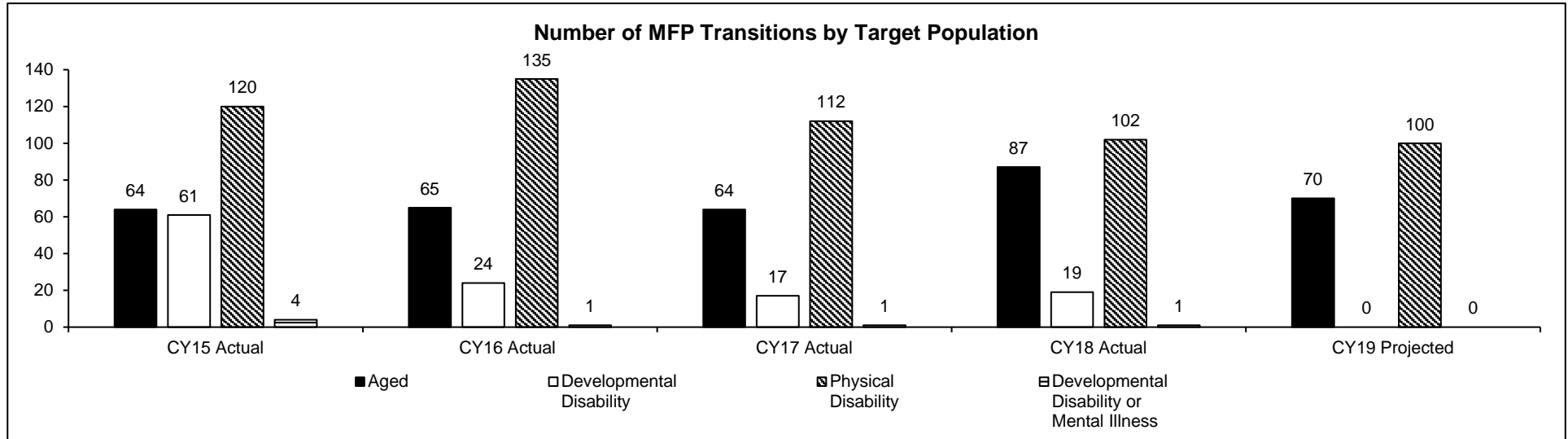
Number of MFP Transitions by Target Population

The MFP grant was due to expire in September of 2020 with the last transition occurring on December 31, 2018. MFP received a temporary federal extension in CY19, and the projection made for CY19 is reflective of that temporary federal extension of the grant.

PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s): 11.625**
Program Name: Money Follows the Person
Program is found in the following core budget(s): Money Follows the Person

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2b. Provide a measure(s) of the program's quality.

Unmet Personal Care Needs
(Lower Score Indicates Fewer Unmet Needs)

Pre-Transition	One year post transition	Two year post transition
17.3%	5.2%	3.8%
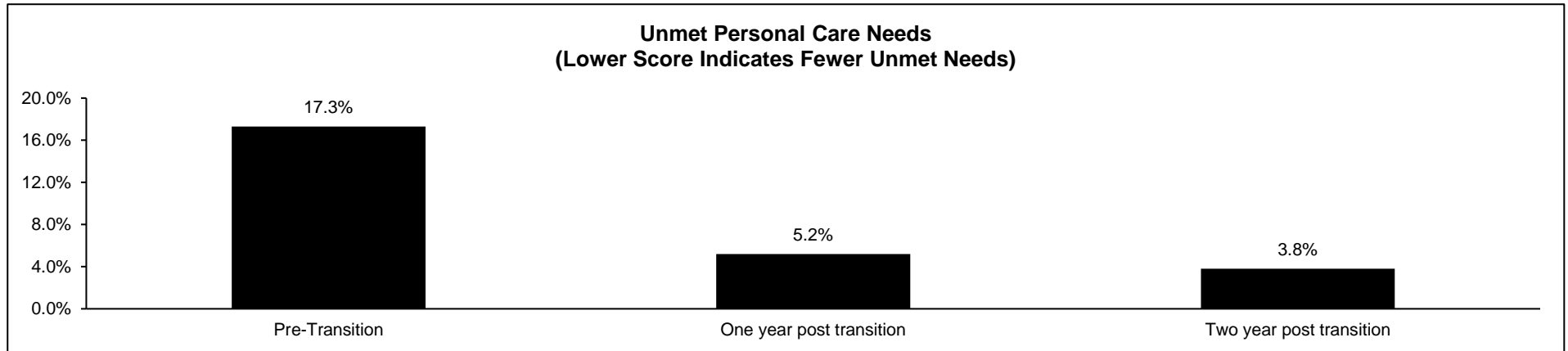
Between CY16 and CY18, MFP participants were surveyed on their unmet personal care needs and overall satisfaction with care. Overall, 17.3 percent of participants in the sample reported having unmet personal care needs (defined as one or more unmet needs related to eating, bathing, toileting, and medication administration) while in institutional care; this declined to 5.2 and 3.8 percent one and two years later, respectively.

Satisfaction With Care

Pre-Transition	One Year Post Transition	Two Years Post Transition
76.0%	86.1%	86.5%
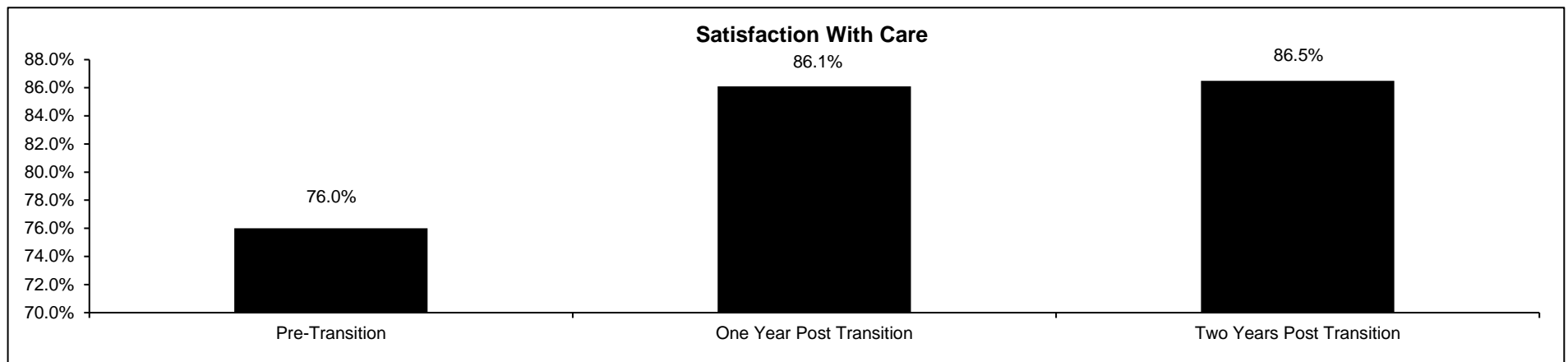
The aspect of care showing the largest improvement was treatment with respect and dignity by providers. Pre-transition, 76 percent of participants reported being treated with respect and dignity; this increased to 86.1 percent one year after transition, and 86.5 percent after two years in the community.

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Money Follows the Person
Program is found in the following core budget(s): Money Follows the Person

HB Section(s): 11.625

2c. Provide a measure(s) of the program's impact.

Percentage of MFP Participants Living in the Community For More Than One Year After Leaving a Nursing Home

	CY14 Actual	CY15 Actual	CY16 Actual	CY17 Actual	CY18 Projected
	72.50%	76.20%	77.25%	78.15%	80.00%
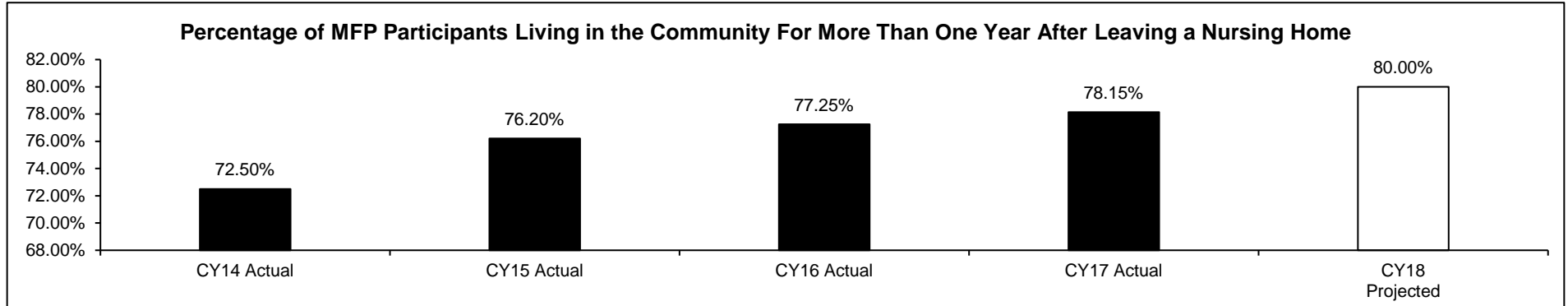
CY18 data will be available in CY20. By CY20, the MFP transitions will have had the opportunity to be in the community for 365 days.

2d. Provide a measure(s) of the program's efficiency.

Average Annual Medicaid Cost Per Participant

	SFY16	SFY17	SFY18	SFY19
MFP Home and Community Based Participants	$7,840	$7,419	$8,255	$5,977
Nursing Home Residents	$45,234	$46,520	$44,937	$47,910

■ MFP Home and Community Based Participants   □ Nursing Home Residents
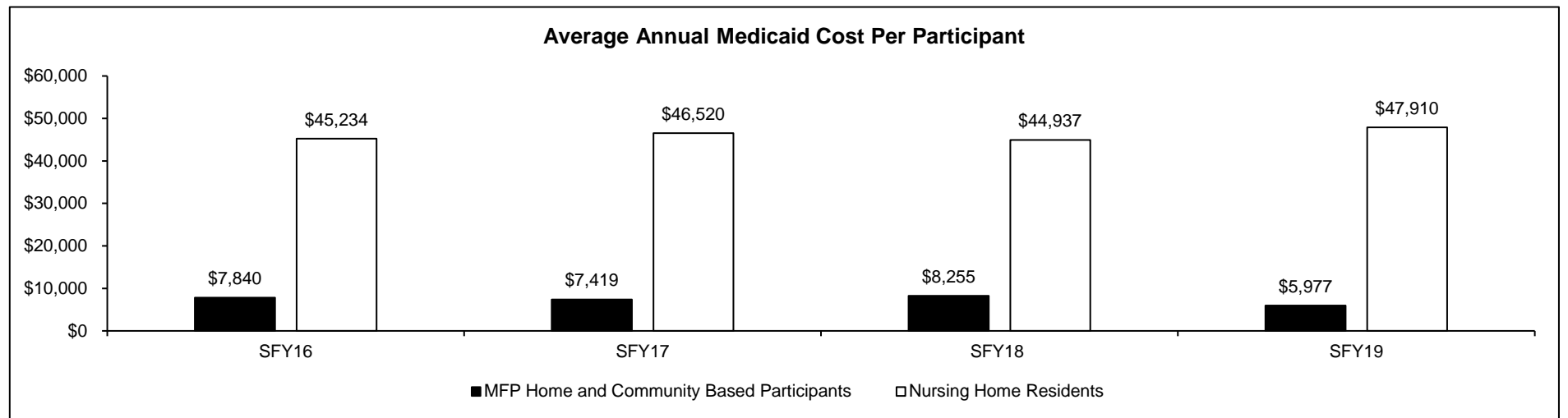
- The Nursing Home Resident cost excludes the portion of costs that are the responsibility of the participant (Patient surplus).
- MFP Home and Community Based Participants are unduplicated Aged and Disabled participants.

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PROGRAM DESCRIPTION

Department: Social Services

Program Name: Money Follows the Person

Program is found in the following core budget(s): Money Follows the Person

HB Section(s): 11.625

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3. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year. (*Note: Amounts do not include fringe benefit costs.*)

Program Expenditure History

Chart values:
- SFY17 Actual: $473,757 / $473,757
- SFY18 Actual: $368,475 / $368,475
- SFY19 Actual: $352,124 / $352,124
- SFY20 Planned: $532,549 / $532,549

Legend: □GR ◩FEDERAL ■OTHER □TOTAL

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4. What are the sources of the "Other " funds?

N/A

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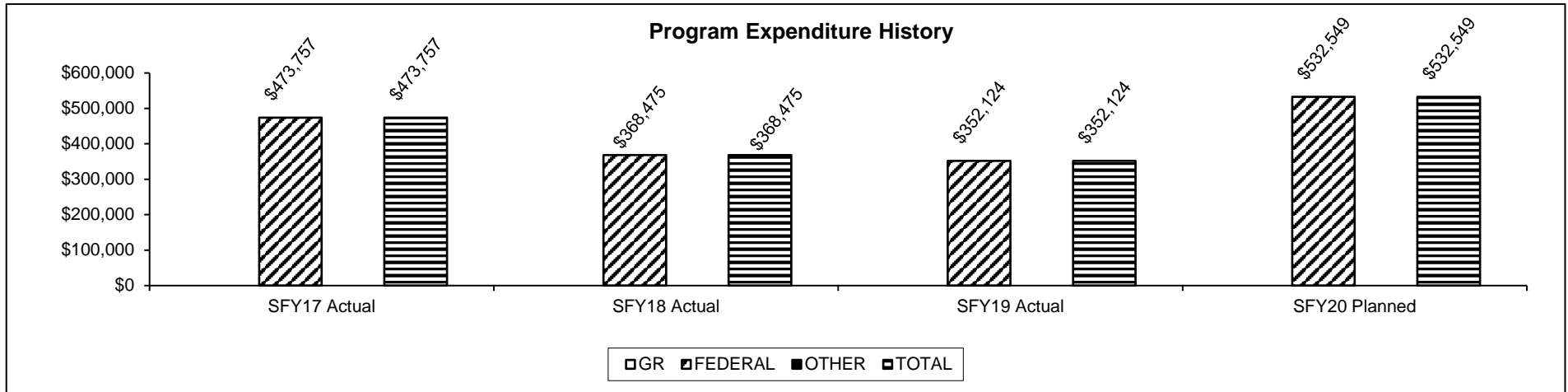
5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Section 6071 of the Federal Deficit Reduction Act of 2005; PL 109-171, and amended by the Affordable Care Act, Section 2403.

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6. Are there federal matching requirements? If yes, please explain.

No.

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7. Is this a federally mandated program? If yes, please explain.

No.

Core - Pharmacy

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Pharmacy

Budget Unit: 90541C

HB Section: 11.630

1. CORE FINANCIAL SUMMARY

	FY 2021 Budget Request					FY 2021 Governor's Recommendation			
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS					**PS**				0
EE					**EE**				0
PSD	132,407,817	792,892,055	278,467,182	1,203,767,054	**PSD**				0
TRF					**TRF**				0
Total	**132,407,817**	**792,892,055**	**278,467,182**	**1,203,767,054**	**Total**	**0**	**0**	**0**	**0**
FTE	**0.00**	**0.00**	**0.00**	**0.00**	**FTE**				**0.00**

Est. Fringe	0	0	0	0	*Est. Fringe*	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Pharmacy Rebates Fund (0114) - $236,745,912
Third Party Liability Collections Fund (TPL) (0120) - $4,217,574
Pharmacy Reimbursement Allowance Fund (0144) - $24,584,238
Health Initiatives Fund (HIF) (0275) - $3,543,350
Premium Fund (0885) - $3,800,000
Life Sciences Research Trust Fund (0763) - $5,576,108

Other Funds:

2. CORE DESCRIPTION

This item funds the pharmacy program which is necessary to maintain pharmacy reimbursement at a sufficient level to ensure quality health care and provider participation. Funding provides pharmacy services for both managed care and fee-for-service populations. Beginning on October 1, 2009, pharmacy services were carved-out of the managed care capitation rates and the state began administering the pharmacy benefit for participants enrolled in managed care as well as participants enrolled in fee-for-service.

3. PROGRAM LISTING (list programs included in this core funding)

Pharmacy

CORE DECISION ITEM

Department: Social Services   **Budget Unit: 90541C**
Division: MO HealthNet
Core: Pharmacy   **HB Section: 11.630**

4. FINANCIAL HISTORY

	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Current Yr.
Appropriation (All Funds)	1,391,717,300	1,274,309,513	1,224,115,083	1,203,767,054
Less Reverted (All Funds)	0	0	0	N/A
Less Restricted (All Funds)	(42,800,000)	0	0	N/A
Budget Authority (All Funds)	1,348,917,300	1,274,309,513	1,224,115,083	1,203,767,054
Actual Expenditures (All Funds)	1,218,855,833	1,274,026,805	1,217,016,408	N/A
Unexpended (All Funds)	130,061,467	282,708	7,098,675	N/A
Unexpended, by Fund:				
General Revenue	12,793,886	1,195	1	N/A
Federal	114,293,459	188,761	4,332,534	N/A
Other	2,974,122	92,752	2,766,140	N/A
	(1)	**(2)**	**(3)**	
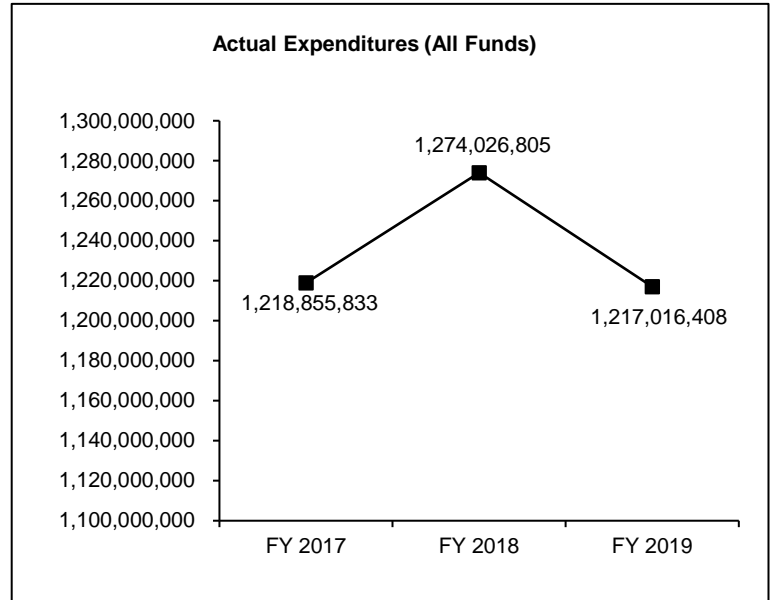
Actual Expenditures (All Funds)

Graph showing actual expenditures: FY 2017 = 1,218,855,833; FY 2018 = 1,274,026,805; FY 2019 = 1,217,016,408. Y-axis ranges from 1,100,000,000 to 1,300,000,000.

Reverted includes statutory reserve amounts (when applicable).
Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:
(1) FY17 - Supplemental Budget of $27,100,000 Pharmacy Rebates Fund. Expenditures of $10,305,704 were paid from Pharmacy for Clawback HB Section; $406,461 were paid from Pharmacy for State Medical; and $5,368 were paid from Pharmacy for Blind Pension Part D.
(2) FY18 - $16,408,000 GR and $13,221,000 Fed was used as flex to cover other program expenditures.
(3) FY19 - $6,303,804 GR and $10,580,045 Fed was used as flex to cover other program expenditures. $2,717,574 was held in Agency Reserve in the Third Party Liability Fund (0120). $10,018,346 was held in Agency Reserve in the Pharmacy FRA fund (0144).

DEPARTMENT OF SOCIAL SERVICES
PHARMACY

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	132,407,817	792,892,055	278,467,182	1,203,767,054	
	Total	**0.00**	**132,407,817**	**792,892,055**	**278,467,182**	**1,203,767,054**	
DEPARTMENT CORE REQUEST							
	PD	0.00	132,407,817	792,892,055	278,467,182	1,203,767,054	
	Total	**0.00**	**132,407,817**	**792,892,055**	**278,467,182**	**1,203,767,054**	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	132,407,817	792,892,055	278,467,182	1,203,767,054	
	Total	**0.00**	**132,407,817**	**792,892,055**	**278,467,182**	**1,203,767,054**	

Budget Unit Decision Item Budget Object Summary Fund	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
PHARMACY								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	112,388,927	0.00	132,407,817	0.00	132,407,817	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	796,438,928	0.00	792,892,055	0.00	792,892,055	0.00	0	0.00
PHARMACY REBATES	236,745,912	0.00	236,745,912	0.00	236,745,912	0.00	0	0.00
THIRD PARTY LIABILITY COLLECT	1,500,000	0.00	4,217,574	0.00	4,217,574	0.00	0	0.00
PHARMACY REIMBURSEMENT ALLOWAN	54,809,181	0.00	24,584,238	0.00	24,584,238	0.00	0	0.00
HEALTH INITIATIVES	3,543,350	0.00	3,543,350	0.00	3,543,350	0.00	0	0.00
LIFE SCIENCES RESEARCH TRUST	10,556,250	0.00	5,576,108	0.00	5,576,108	0.00	0	0.00
PREMIUM	1,033,860	0.00	3,800,000	0.00	3,800,000	0.00	0	0.00
TOTAL - PD	1,217,016,408	0.00	1,203,767,054	0.00	1,203,767,054	0.00	0	0.00
TOTAL	**1,217,016,408**	**0.00**	**1,203,767,054**	**0.00**	**1,203,767,054**	**0.00**	**0**	**0.00**
MHD CTC - 1886001								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	17,030,022	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	23,064,936	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	40,094,958	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**40,094,958**	**0.00**	**0**	**0.00**
Asset Limit CTC - 1886020								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	364,175	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	696,014	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	1,060,189	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**1,060,189**	**0.00**	**0**	**0.00**
Pharmacy Specialty PMPM - 1886008								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	16,045,734	0.00	0	0.00

Budget Unit Decision Item Budget Object Summary Fund	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
PHARMACY								
Pharmacy Specialty PMPM - 1886008								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	30,631,734	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	46,677,468	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**46,677,468**	**0.00**	**0**	**0.00**
Asset Limit Phase-In - 1886021								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	49,357	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	346,551	0.00	0	0.00
PHARMACY REIMBURSEMENT ALLOWAN	0	0.00	0	0.00	131,969	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	527,877	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**527,877**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$1,217,016,408**	**0.00**	**$1,203,767,054**	**0.00**	**$1,292,127,546**	**0.00**	**$0**	**0.00**

FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: 90541C	**DEPARTMENT:** Social Services
BUDGET UNIT NAME: Pharmacy	
HOUSE BILL SECTION: 11.630	**DIVISION:** MO HealthNet

1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

DEPARTMENT REQUEST

Total	**% Flex**	**Flex Amount**	
$1,292,127,546	0.25%	$3,230,319	Not more than ten percent (.25%) flexibility is requested between sections 11.600, 11.615, 11.630, 11.645, 11.660, 11.675, 11.690, and 11.695.

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED	CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED	BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED
N/A	HB11 language allows up to .25% flexibility between 11.600, 11.615, 11.630, 11.645, 11.660, 11.675, 11.690, and 11.695.	.25% flexiblity is being requested for FY21

3. Please explain how flexibility was used in the prior and/or current years.

PRIOR YEAR EXPLAIN ACTUAL USE	CURRENT YEAR EXPLAIN PLANNED USE
N/A	Flex is to be used to pay for contracted expenditures through the Administration and Information System program lines.

FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: 90541C **BUDGET UNIT NAME: Pharmacy** **HOUSE BILL SECTION: 11.630**	**DEPARTMENT:** Social Services **DIVISION:** MO HealthNet

1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

DEPARTMENT REQUEST

Total	**% Flex**	**Flex Amount**	Not more than ten percent (10%) flexibility is requested between sections
$1,292,127,546	10%	$129,212,755	11.630, 11.645, 11.650, 11.655, 11.660, 11.675, 11.680, 11.685, 11.690, 11.695, 11.710, 11.725, 11.730, and 11.740.

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

PRIOR YEAR **ACTUAL AMOUNT OF FLEXIBILITY USED**	**CURRENT YEAR** **ESTIMATED AMOUNT OF** **FLEXIBILITY THAT WILL BE USED**	**BUDGET REQUEST** **ESTIMATED AMOUNT OF** **FLEXIBILITY THAT WILL BE USED**
$32,383,850	HB11 language allows up to 10% flexibility between 11.630, 11.645, 11.650, 11.655, 11.660, 11.675, 11.680, 11.685, 11.690, 11.695, 11.710, 11.725, 11.730, and	10% flexiblity is being requested for FY21

3. Please explain how flexibility was used in the prior and/or current years.

PRIOR YEAR **EXPLAIN ACTUAL USE**	**CURRENT YEAR** **EXPLAIN PLANNED USE**
Flex was used to cover shortfalls in Hospital, Managed Care, Rehab, Blind Medical, Nursing Facility, Physician, and Clawback to cover payments until the Supplemental was received.	Flexibility allows continued service without disrupting or delaying benefits and allows the funding of the Medicaid program.

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
PHARMACY								
CORE								
PROGRAM DISTRIBUTIONS	1,217,016,408	0.00	1,203,767,054	0.00	1,203,767,054	0.00	0	0.00
TOTAL - PD	**1,217,016,408**	**0.00**	**1,203,767,054**	**0.00**	**1,203,767,054**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$1,217,016,408**	**0.00**	**$1,203,767,054**	**0.00**	**$1,203,767,054**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	$112,388,927	0.00	$132,407,817	0.00	$132,407,817	0.00		0.00
FEDERAL FUNDS	$796,438,928	0.00	$792,892,055	0.00	$792,892,055	0.00		0.00
OTHER FUNDS	$308,188,553	0.00	$278,467,182	0.00	$278,467,182	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s): 11.630**
Program Name: Pharmacy
Program is found in the following core budget(s): Pharmacy

1a. What strategic priority does this program address?

Access safe and cost effective medications for MO HealthNet (MHD) participants

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1b. What does this program do?

The MO HealthNet Pharmacy Program reimburses outpatient prescription drugs for managed care and fee-for-service eligible. The Omnibus Budget Reconciliation Act of 1990 (OBRA-90) significantly expanded the coverage of pharmacy provisions to include reimbursements for all drug products of manufacturers that have entered into a rebate agreement with the Federal Department of Health and Human Services (HHS). States have the authority to manage state specific drug purchasing and formulary decisions through Drug Utilization Review boards. MHD has a robust Drug Utilization Review process to ensure medications are clinically and fiscally appropriate. This process is ongoing as new pharmaceutical agents are approved frequently. In addition, OBRA-90 included provisions requiring both a prospective and retrospective drug use review program.

The Centers for Medicare and Medicaid Services (CMS) published a final rule on January 1, 2016, pertaining to Medicaid reimbursement for covered outpatient drugs. The purpose of the final rule is to implement changes to the prescription drug reimbursement structure as enacted by the Affordable Care Act (ACA). States are required to establish actual acquisition cost (AAC) as the basis of ingredient cost reimbursement to providers, as well as evaluate the professional dispensing fee reimbursement. With the final rule, states must also establish a payment methodology for 340B entities and 340B contract pharmacies.

Entities that are 340B covered are eligible to purchase discounted drugs through the Public Health Service Act's 340B Drug Discount program. Examples of 340B entities include federally qualified health centers, hemophilia treatment centers, disproportionate share hospitals, sole community hospitals, AIDS drug assistance programs, and family planning clinics. MHD is working collaboratively with stakeholders to encourage 340B participation by covered entities. By working with covered entities, savings from 340B pricing for MHD participants' prescriptions are shared with the Medicaid program.

Effective December 16, 2018, MHD drug reimbursement will be made by applying the following hierarchy methodology:
- National Average Drug Acquisition Cost (NADAC), plus professional dispensing fee, if there is no NADAC
- Missouri Maximum Allowed Cost (MAC), plus professional dispensing fee if no Federal Upper Limit (FUL) or MAC
- Wholesale Acquisition Cost (WAC), plus professional dispensing fee
- The usual and customary (U&C) charge submitted by the provider IF it is lower than the chosen price (FUL, MAC, or WAC)
- 340B providers will be reimbursed at WAC minus 25%

CMS approval is pending for the above reimbursement methodology.

Department: Social Services   **HB Section(s): 11.630**
Program Name: Pharmacy
Program is found in the following core budget(s): Pharmacy

WAC is the manufacturer's published catalog or list price for a drug product to wholesalers; NADAC is based on CMS's monthly surveys of retail pharmacies to determine average acquisition cost for covered outpatient drugs; and MAC is the maximum reimbursement for drugs set at a state level. MHD uses its electronic tools incorporating clinical and fiscal criteria derived from best practices and evidence-based medical information to adjudicate claims through clinical and fiscal edits, preferred drug list edits, and prior authorization.

Pharmacies doing business in Missouri are also assessed a provider tax. Funds from this tax are used to provide dispensing fee payments and to support MHD pharmacy payments. See the Pharmacy Reimbursement Allowance tab for more detail.

Rebate Program
The U.S. Congress created the Medicaid outpatient prescription drug rebate program when it enacted the Omnibus Budget Reconciliation Act (OBRA) '90. The goal of the program is to reduce the cost of outpatient prescription drugs by requiring drug manufacturers to pay a rebate directly to state Medicaid programs. The purpose of the program is to reduce the cost of prescription drugs without placing an undue burden on pharmacies. The intent of this rebate is to allow state and federal governments to receive price reductions similar to those received by other high volume purchasers of drugs.

OBRA '90 requires all drug manufacturers to enter into a drug rebate agreement with CMS before their product lines will be eligible for coverage by Medicaid. Currently, approximately 700 manufacturers have signed agreements with Centers for Medicare and Medicaid Services (CMS) and participate in the Drug Rebate Program. For MHD participants, approximately 570 manufacturers have products dispensed and invoiced quarterly. Once the drug manufacturer has entered into the agreement, the state Medicaid programs are required to provide coverage of the manufacturers' drug products. However, the state has the option of excluding certain categories of the manufacturer's products or requiring prior authorization for reimbursement of products. Manufacturers are required to calculate and make rebate payments to the state Medicaid agency for the manufacturers' covered outpatient drugs reimbursed by the state during each quarter. Manufacturers are to be invoiced no later than 60 days after the end of each calendar quarter and are required to make payment for the calculated drug rebate directly to the state Medicaid program within 38 days of invoicing.

The Affordable Care Act of 2010 provided enhancements to the Federal Drug Rebate requirements. Rebates are as follows:
- 23.1% of the Average Manufacturer Price (AMP) for single-source brand-name drugs
- 13% of AMP for multi-source generic drugs
- 17% of AMP for single-source generic drugs

The manufacturer may also be required to pay an additional rebate amount, based on a calculation related to the Consumer Price Index and price increases for a drug. Approximately 35% of the total rebates collected are used as a state share funding source rather than using General Revenue funds. Based on the FMAP rate, approximatley 65% of the rebates collected are returned to the federal government.

In addition to the Federal Drug Rebate Program, MO HealthNet may negotiate additional discounts in the form of Supplemental Drug Rebates. Drug manufacturers may contract to pay National Drug Code (NDC)-specific Supplemental Drug Rebates as a condition for placement on the state's Preferred Drug List (PDL). MHD invoices and collects these rebates from manufacturers, along with the federal rebates, and submits the federal portion of the rebates to CMS while retaining the state share.

PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s): 11.630**
Program Name: Pharmacy
Program is found in the following core budget(s): Pharmacy

Benefit Management and Cost Savings Tools
Clinical Management Services and System for Pharmacy Claims and Prior Authorization (CMSP)

Through a contract with Conduent (formerly Xerox), MHD operates an innovative electronic web-based clinical editing process for its point-of-sale pharmacy and medical claims, medical and drug prior authorization, and Drug Utilization Review (DUR) processes. The current CMSP claim processing system allows each claim to be referenced against the participant's claims history including pharmacy, medical, and procedural data (ICD-9/10 and CPT codes), providing real time data to participating MHD providers. For patients that meet approval criteria, the claim will be paid automatically. In instances when a phone call is necessary, the hotline call center is available seven days a week, which allows providers prompt access to a paid claim for the requested product or service. In addition to receiving messages regarding the outcome of the processing of claims and the amount to be reimbursed, pharmacy providers receive prospective drug use review alert messages at the time prescriptions are dispensed.

The contract with Conduent utilizes their CyberAccessSM tool to create integrated patient profiles containing prescription information, as well as patient diagnoses and procedure codes for a running 24 months of history. CyberAccessSM provides:
- Daily updated participant claims history profiles
- Identification of all drugs, procedures, related diagnoses and ordering providers from claims paid by MHD for a rolling 36 month period
- 3 years of Point of Service (POS) pharmacy claims refreshed every 10 minutes

Fiscal and Clinical Edits

Fiscal and Clinical Edits optimize the use of program funds and enhance patient care through improved use of pharmaceuticals. Since the implementation of the OBRA '90, education on the use of pharmaceuticals has been accomplished primarily through DUR. However, the prospective DUR alerts currently generated by the fiscal agent have been largely ignored by pharmacy providers as they are more general in nature and few are tied to claim reimbursement. Other third party payers have successfully utilized more extensive evidence based claims screening edits in an effort to control costs. These edits apply within MHD to achieve similar cost controls.

Point-of-Service Pharmacy

Claims are routed through Conduent's automated system to apply edits specifically designed to assure effective utilization of pharmaceuticals. The edits are founded on evidence-based clinical and nationally recognized expert consensus criteria. Claims will continue to be processed by Wipro, MHD's fiscal agent, for all other edits and final adjudication. After processing by Conduent and Wipro, the claim is sent back to the provider with a total processing time of approximately 10 seconds. Claims which are denied by the system edits will require an override from the existing help desk. Providers seeking an override must contact the help desk for approval, which will be granted if medically necessary.

PROGRAM DESCRIPTION

Department: Social Services   HB Section(s): 11.630
Program Name: Pharmacy
Program is found in the following core budget(s): Pharmacy

Preferred Drug List (PDL) Edits

The PDL utilizes information from various clinical sources, including the UMKC Drug Information Center (DIC), the Oregon Evidence-Based Drug Research Consortium, MHD clinical contractors, and MHD's clinical research team. Clinical information is paired with fiscal evaluation to develop a therapeutic class recommendation. The resulting PDL process incorporates clinical edits including step therapies into the prescription drug program. Clinical edits are designed to enhance patient care and optimize the use of program funds through therapeutically prudent use of pharmaceuticals. Pharmacy claims are routed through an automated computer system to apply edits specifically designed to ensure effective and appropriate drug utilization. The goal is to encourage cost effective therapy within the selected drug class.

Prior Authorization

Any covered outpatient drug can be subject to Prior Authorization (PA). Effective August 1, 1992, a PA process was implemented for certain specific drugs under the pharmacy program. In conjunction with MHD Advisory groups (see below), approval criteria are established with the minimum being approved FDA clinical indication. MHD may establish additional clinical and/or fiscal criteria for approval or denial. Drug PA requests are received via telephone, fax or mail. All requests for a drug PA must be initiated by a physician or authorized prescriber (advanced practice nurse) with prescribing authority for the drug category for which a PA is being requested. As specified in OBRA '90, drug PA programs must provide a response by telephone or other telecommunication device within 24 hours of receipt. All requests must include all required information. Requests received with insufficient information for review or received from someone other than a physician or authorized prescriber will not initiate a PA review nor the 24-hour response period. Drug PA requests received via telephone are keyed on-line and notification of approval will be given at the time of the call or by return fax or phone call. MHD technicians who staff this hotline work through algorithms developed by the Drug Prior Authorization Committee with the assistance of UMKC-DIC School of Pharmacy. These algorithms are sets of questions used to make a determination to approve or deny the request. Making the prior authorization determination on-line allows the PA file to be updated immediately. For approvals, the requestor will be given an authorization period. Pharmacies may record this information for this purpose as well.

Drug Utilization Review

This process is currently provided by Conduent and will be an extension of the current process with some enhancements. Under the new contract, this initiative will utilize the same database/computer system as the previously described components. This system uses a relational database capable of interfacing MHD paid claims history with flexible, high quality clinical evaluation criteria. The process is designed to identify high-risk drug use patterns among physicians, pharmacists, and beneficiaries, and to educate providers (prescribers and dispensers) in appropriate and cost-effective drug use. This process is capable of identifying providers prescribing and dispensing practices which deviate from defined standards, as well as generating provider profiles and ad hoc reports for specified provider and participant populations. The goal of the program is to maximize drug therapy and outcomes and optimize expenditures for health care.

Department: Social Services   **HB Section(s): 11.630**
Program Name: Pharmacy
Program is found in the following core budget(s): Pharmacy

Board and Committee Support and Oversight
MHD operates both prospective and retrospective Drug Utilization Review (DUR) as required by federal and state law. The DUR program is focused on educating health care providers in the appropriate use of medications and informing them of potential drug therapy problems found in the review of drug and diagnostic information obtained from MHD claims history. The DUR Board is central to all DUR program activities, and its duties and membership requirements are specified in state and federal law. DUR Board members are appointed by the Governor with advice and consent of the Senate, and its 13 members include six physicians, six pharmacists, and one quality assurance nurse. In an ongoing process, the DUR Board reviews and makes changes to the clinical therapeutic criteria used to generate prospective and retrospective DUR interventions. The DUR Board also advises the division on other issues related to appropriate drug therapy and produces a quarterly newsletter for providers on selected drug topics. In addition to the Board, a Regional DUR Committee, comprised of physicians and pharmacists, evaluates individual participants' retrospective drug regimens and advises their providers on appropriate drug use or potentially problematic drug therapies. The MHD Drug Prior Authorization (PA) Committee is established in state regulation. This advisory committee is charged with reviewing drugs and recommending those drugs which are appropriate for reimbursement as a regular benefit verses those which should be placed on prior authorization status. All such recommendations made by the Drug PA Committee are referred to the DUR Board, as they are the statutorily-appointed advisory group for final recommendation to the division.

The Advisory Council on Rare Diseases and Personalized Medicine is established in state regulation. This board will serve as an expert advisory committee to the DUR board in regards to beneficiary access to drugs or biological products for rare diseases. The Advisory Council on Rare Diseases and Personalized Medicine members are appointed by the Director of the Department of Social Services, and members include 5 physicians, 2 medical researchers, 1 registered nurse, 1 pharmacist, 1 professor, 1 individual representing the rare disease community, 1 member of the rare disease foundation and 1 representative from a rare disease center within a comprehensive pediatric hospital. The DUR board shall request and consider information from the Advisory Council on Rare Diseases and Personalized Medicine when making recommendations or determinations regarding prior authorization and reauthorization criteria for rare disease drugs and other topics related to rare diseases.

Cost Containment Initiatives
As a result of new drugs, rapidly changing prescribing patterns and increased expenditures in the MHD fee-for-service pharmacy program, MHD continues to implement a number of administrative measures to ensure the economic and efficient provision of the MHD pharmacy benefit. These strategies have been developed through recommendations from a number of sources, including affected state agencies, provider groups, and the pharmaceutical industry. The intent of these initiatives is to ensure that MHD participants get the correct drug to meet their needs, in the correct amount, and for the correct period of time. Examples of some of the cost containment initiatives, processed through clinical management, include:
- Edits - Dose Optimization: Effective for dates of service on or after April 16, 2002, claims submitted to the MO HealthNet Pharmacy Program are subject to edits to identify claims for pharmacy services that fall outside expected patterns of use for certain products. Overrides to these edit denials can be processed through the Pharmacy hotline. Justification for utilization outside expected patterns, such as Food and Drug Administration (FDA) approved labeling, is required for approval of such an override.

PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s): 11.630**
Program Name: Pharmacy
Program is found in the following core budget(s): Pharmacy

- Preferred Drug List (PDL): As a tool for containing costs, the PDL provides access to the most cost-effective drug therapy for specific drug categories. Preferred status on the PDL provides the state with Supplemental Rebates for selected name-brand and/or single-source drugs and lowers the net cost. See above for PDL details. MO HealthNet began the PDL in 2003.
- Diabetic Testing Supplies and Syringes: In December 2003, the MHD moved diabetic testing supplies and syringes from the Durable Medical Equipment (DME) program to the pharmacy program, and initiated a single source diabetic testing supply initiative, continuing to encourage patient blood glucose testing while minimizing state expenditures. In April 2005, the pharmacy program moved to a multi-source diabetic testing supplies initiative. Diabetic testing supply products and syringes are now available in preferred status from multiple manufacturers, providing greater participant choice and generating supplemental rebates to the state.
- Generic Incentives: Effective for dates of service January 1, 2010 and beyond, the MO HealthNet Pharmacy Program began paying pharmacy providers a generic product preferred incentive fee.   MHD is having discussions with CMS regarding the level of generic incentive allowed under the January 1, 2016 final rule.
- Expanded Missouri Maximum Allowable Cost (MAC) list: The list of drugs for which the state agency has established a generic reimbursement limit will be monitored and expanded on a regular basis. A mechanism is in place to review existing MACs as well as identify new generic drugs for addition to this list as they become available. This optimizes generic utilization in the MHD program. Effective in June of 2009, MHD updated the MAC list to include specific specialty medications.
- Active Pharmaceutical Ingredients (API) and Excipients: An API is defined by 21 C.F.R. § 207.3(a)(4) as a bulk drug substance that "is represented for use in a drug and that, when used in the manufacturing, processing, or packaging of a drug, becomes an active ingredient or a finished dosage form of the drug." An excipient is an inactive substance that forms a vehicle for the active ingredient in compounding. Effective September 1, 2017 MHD requires prior authorization (PA) on all compounded medications including an API and excipients. Requests for PA are reviewed on an individual patient basis and evaluated for medical necessity. Participant are required to use commercially available products if there are any available that are similar to the compounds being requested.
- Refill-Too-Soon: On February 21, 2018, the refill-too-soon (RTS) edit criteria went from 75% utilization to 85% utilization.
- Morphine-Milligram-Equivalent (MME): Effective May 1, 2018 the MO HealthNet Pharmacy Program implemented a MME Accumulation Clinical Edit. The edit will more accurately calculate the total MME daily dose from all concurrent opioid prescriptions for individual patients.
- New Drugs Review : Prior authorization is required for all new drug entities and new dosage forms, through existing drug entities that have been newly approved by the FDA and become available on the prescription drug market. First Data Bank is the publisher of proprietary pharmaceutical information and provides weekly updates to MHD covered medications, which are reviewed for medical and clinical criteria along with pharmacoeconomic impact to the pharmacy program. Program staff recommend ongoing management (i.e. continue PA, PDL addition, clinical edit, or open access) of each new drug, which goes to the MO HealthNet advisory groups for approval and implementation. The new drug review process was updated in September of 2018.
- NADAC: On December 16, 2018 MHD changed drug reimbursement to the National Average Drug Acquisition Cost (NADAC) model. The NADAC files represent a national pricing methodology based upon a simple average of retail pharmacy acquisition costs for most covered outpatient drugs.
- Non-Traditional Pain Management: In FY19 MHD implemented a non-traditional pain management program which will use alternative treatments such as chiropractic services, physical therapy and acupuncture in lieu of prescribing opioids for pain.
- Enhanced Retrospective Drug Utilization: Enhanced retrospective drug utilization involves retroactively reviewing population-based patterns of drug use, to compare those patterns to approved therapeutic guidelines in order to determine the appropriateness of care, length of treatment, drug interaction, and other clinical issues.
- Provider Audits: Daily provider audits are performed by MHD/Wipro staff for the identification and resolution of potential recoupments.
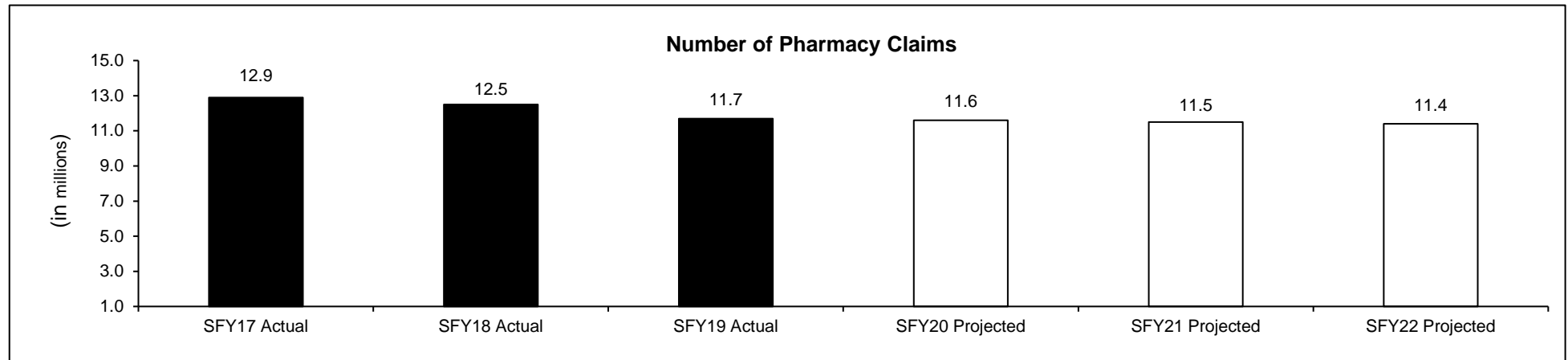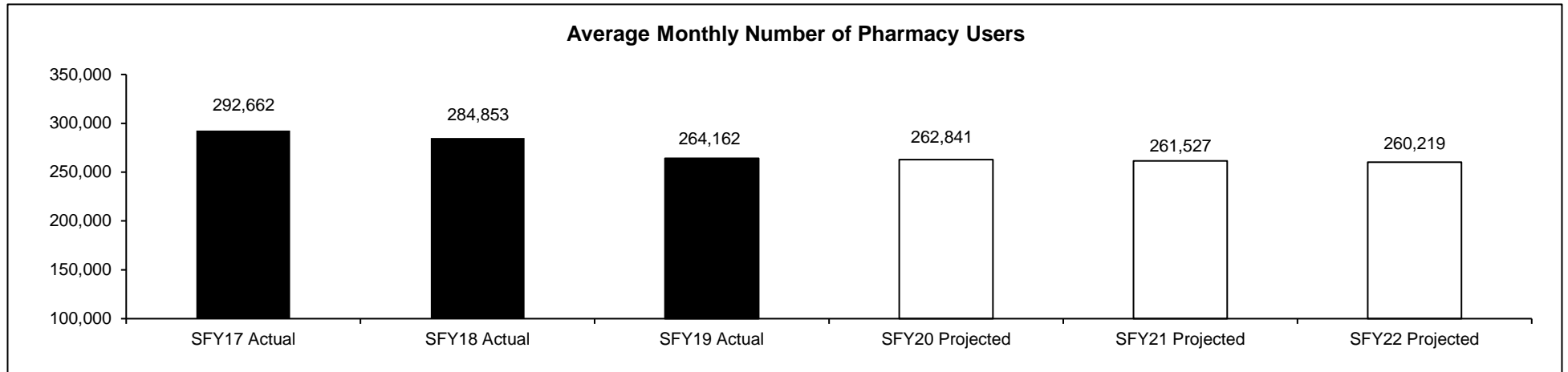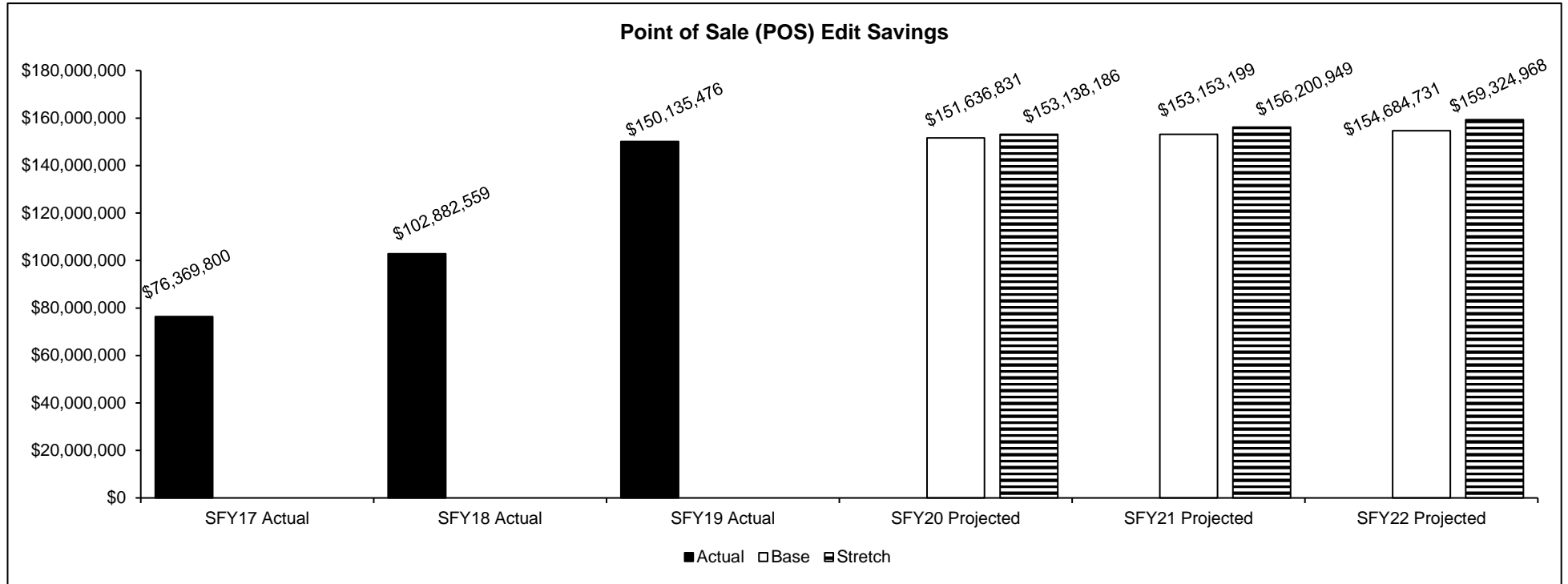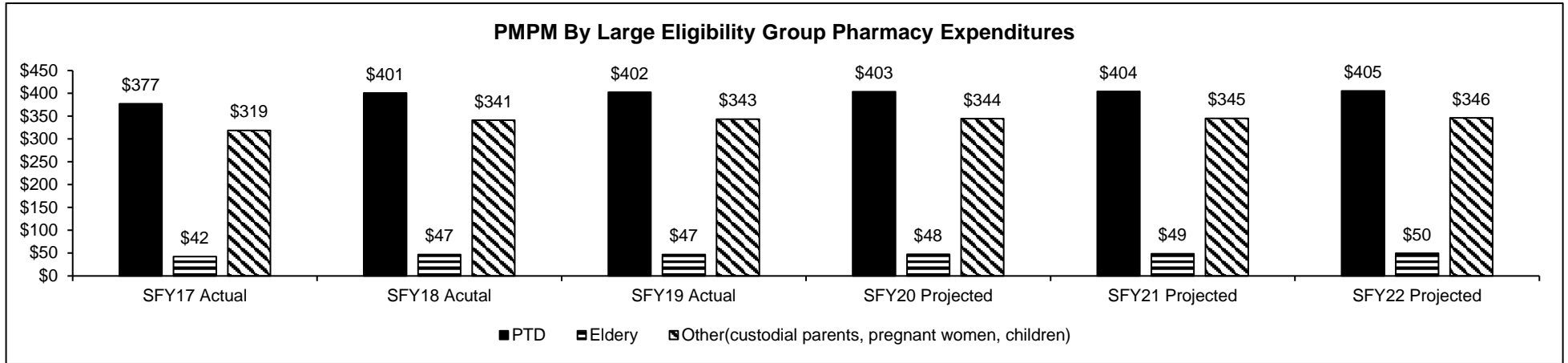
PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s): 11.630**
Program Name: Pharmacy
Program is found in the following core budget(s): Pharmacy

2a. Provide an activity measure for the program.

Top 10 Products Ranked By Paid Amount of FFS Claims							
	4th Qtr (April, May, June) 2019			4th Qtr (April, May, June) 2018			
Drug	**Rank**	**Claims**	**Paid**	**Rank**	**Claims**	**Paid**	
PALIPERIDONE PALMITATE (Antipsychotic)	1	5,808	$ 10,789,510	1	3,939	$ 9,746,238	
LURASIDONE HCL (Antipsychotic)	2	10,788	$ 9,184,792	2	8,384	$ 9,415,866	
ADALIMUMAB (Immunosuppressive) (Humira)	3	1,518	$ 8,497,161	4	1,279	$ 7,638,612	
SOFOSBUVIR/VELPATASVIR (Hepatitis C) (Epclusa)	4	305	$ 6,829,547				
SOMATROPIN (Growth Hormone)	5	1,368	$ 6,321,669	6	1,377	$ 6,432,062	
ALBUTEROL SULFATE (Bronchodilator, Asthma)	6	103,879	$ 6,213,828	7	83,884	$ 6,064,033	
INSULIN GLARGINE,HUMAN RECOMBINANT ANALOG (Diabetes)	7	18,884	$ 6,061,972	8	13,457	$ 5,854,415	
METHYLPHENIDATE HCL (Stimulant)(Ritalin)	8	31,474	$ 5,338,739	5	31,597	$ 6,675,370	
INSULIN ASPART (Diabetes)	9	12,082	$ 5,052,385				
LISDEXAMFETAMINE DIMESYLATE (ADHD)	10	17,633	$ 5,012,966	9	18,492	$ 5,227,415	
GLECAPREVIR/PIBRENTASVIR(Mavyret)(Hepatitis C)				3	644	$ 8,468,258	
PREGABALIN(Epilepsy/anxiety)				10	9,560	$ 4,841,565	
TOTAL			**$ 69,302,569**			**$ 70,363,834**	

PROGRAM DESCRIPTION

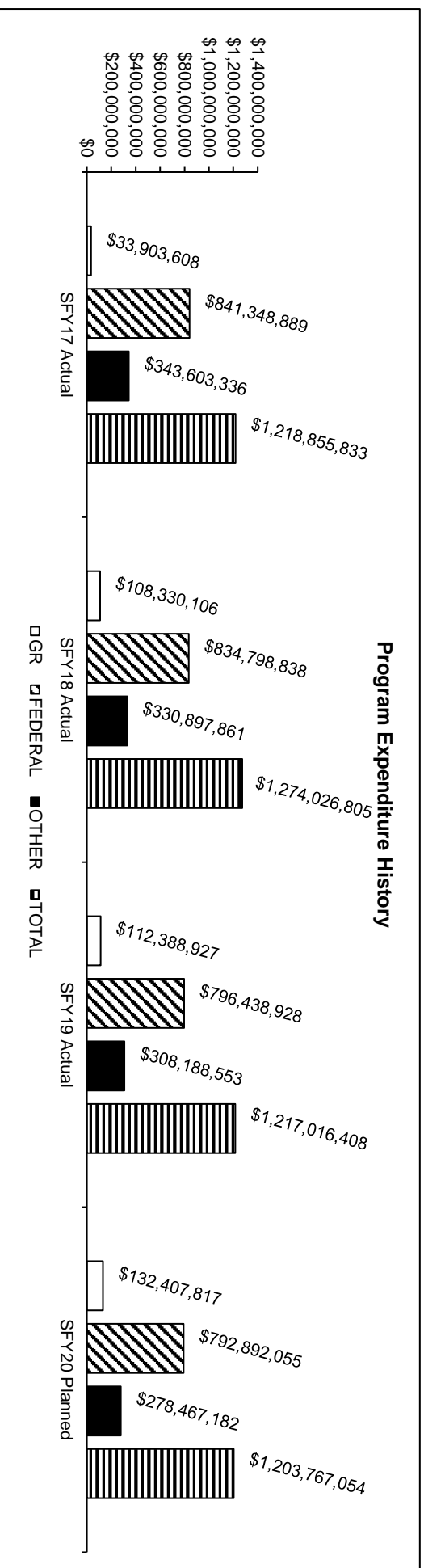**Department: Social Services**
Program Name: Pharmacy
Program is found in the following core budget(s): Pharmacy

HB Section(s): 11.630

Average Monthly Number of Pharmacy Users

SFY17 Actual	SFY18 Actual	SFY19 Actual	SFY20 Projected	SFY21 Projected	SFY22 Projected
292,662	284,853	264,162	262,841	261,527	260,219

Number of Pharmacy Claims

(in millions)

SFY17 Actual	SFY18 Actual	SFY19 Actual	SFY20 Projected	SFY21 Projected	SFY22 Projected
12.9	12.5	11.7	11.6	11.5	11.4

PROGRAM DESCRIPTION

Department: Social Services

HB Section(s): 11.630

Program Name: Pharmacy

Program is found in the following core budget(s): Pharmacy

2b. Provide a measure of the program's quality.

Point of Sale (POS) Edit Savings

Savings from denied pharmacy claims as a result of SmartPA edits.

PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s): 11.630**
Program Name: Pharmacy
Program is found in the following core budget(s): Pharmacy

2c. Provide a measure of the program's impact.

PMPM By Large Eligibility Group Pharmacy Expenditures

	SFY17 Actual	SFY18 Acutal	SFY19 Actual	SFY20 Projected	SFY21 Projected	SFY22 Projected
PTD	$377	$401	$402	$403	$404	$405
Eldery	$42	$47	$47	$48	$49	$50
Other(custodial parents, pregnant women, children)	$319	$341	$343	$344	$345	$346

■PTD   ▭Eldery   ▨Other(custodial parents, pregnant women, children)

2d. Provide a measure of the program's efficiency.

**Rebate Collections as a Percentage
of Total Rebates Invoiced**

	SFY17 Actual	SFY18 Actual	SFY19 Actual	SFY20 Projected	SFY21 Projected	SFY22 Projected
Actual	97.25%	97.29%	97.73%			
Base				97.78%	97.81%	97.84%
Stretch				97.80%	97.83%	97.86%

97.3 % benchmark

■Actual   ▭Base   ▤Stretch

As measured June 1 of each fiscal year. The benchmark is set at 97.3%, and is the average of SFY17 and SFY18.

Department: Social Services
Program Name: Pharmacy
Program is found in the following core budget(s): Pharmacy

3. Provide actual expenditures for the prior three fiscal years; planned expenditures for the current fiscal year. (*Note: Amounts do not include fringe benefit costs.*)

Program Expenditure History

	SFY17 Actual	SFY18 Actual	SFY19 Actual	SFY20 Planned
GR	$33,903,608	$108,330,106	$112,388,927	$132,407,817
FEDERAL	$841,348,889	$834,798,838	$796,438,928	$792,892,055
OTHER	$343,603,336	$330,897,861	$308,188,553	$278,467,182
TOTAL	$1,218,855,833	$1,274,026,805	$1,217,016,408	$1,203,767,054

Y-axis: $0, $200,000,000, $400,000,000, $600,000,000, $800,000,000, $1,000,000,000, $1,200,000,000, $1,400,000,000

Legend: ☐GR ☐FEDERAL ■OTHER ☐TOTAL

4. What are the sources of the "Other" funds?

Pharmacy Reimbursement Allowance Fund (0144), Pharmacy Rebates Fund (0114), Health Initiatives Fund (0275), Third Party Liability Fund (0120), Premium Fund (0885), and Life Sciences Research Trust Fund (0763).

5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Missouri Statute: Sections 208.152 and 208.166, RSMo. Federal law: Social Security Act Section 1902(a)(12). State regulation: 13 CSR 70-20. Federal regulation: 42 CFR 440.120.

6. Are there federal matching requirements? If yes, please explain.

The FMAP (Federal Medical Assistance Percentage) fluctuates annually based on state and national economic and population data, but generally the state matching requirement is around 35% and the federal match is around 65%.

7. Is this a federally mandated program? If yes, please explain.

Yes, pharmacy services are mandatory for children if identified as medically necessary health services under the Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) program. This program is not federally mandated for adults.

NDI - Pharmacy PMPM Increase Specialty

Department: Social Services   **Budget Unit: 90541C**
Division: MO HealthNet
DI Name: Pharmacy Specialty PMPM   **DI# 1886008**   **HB Section: 11.630**

1. AMOUNT OF REQUEST

	FY 2021 Budget Request					FY 2021 Governor's Recommendation			
	GR	**Federal**	**Other**	**Total**		**GR**	**Federal**	**Other**	**Total**
PS					**PS**				0
EE					**EE**				0
PSD	16,045,734	30,631,734		46,677,468	**PSD**				0
TRF					**TRF**				0
Total	**16,045,734**	**30,631,734**	**0**	**46,677,468**	**Total**	**0**	**0**	**0**	**0**
FTE	**0.00**	**0.00**	**0.00**	**0.00**	**FTE**				**0.00**

Est. Fringe	*0*	*0*	*0*	*0*	*Est. Fringe*	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: N/A   Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

____ New Legislation	____ New Program	____ Fund Switch
____ Federal Mandate	____ Program Expansion	____ Cost to Continue
____ GR Pick-Up	____ Space Request	____ Equipment Replacement
____ Pay Plan	**x** Other: Inflation/Utilization	

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

Funds are needed to address the anticipated increases in the pharmacy program due to new drugs, therapies, and inflation.

This decision item requests funding for the ongoing inflation of pharmaceuticals and the anticipated increase in pharmacy expenditures attributed to specialty drugs. Specialty drugs account for the majority of the projected increase in pharmacy expenditures.

State statute: Section 208.201, RSMo. Federal Law: Social Security Act Section 1902(a)(4). Federal Regulations: 42 CFR, Part 432.

Department: Social Services   Budget Unit: 90541C
Division: MO HealthNet
DI Name: Pharmacy Specialty PMPM   DI# 1886008   HB Section: 11.630

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4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

MHD utilized the Mercer Trend Report in support of this decision item.

Specialty drugs, which account for the majority of the projected increase in pharmacy expenditures, treat complex chronic and/or life threatening conditions. Drugs are considered specialty within MHD if the prescription cost is $600 or more. Specialty drugs are often the first effective treatment of a condition. Many specialty products face little market competition and target a small patient population, which results in a higher cost per unit. Most specialty products are complex "biologics" and are not easily copied; making introduction of generics a long, slow process. Typically, specialty drugs require special storage, handling, and administration. They may also require detailed patient instructions and adherence monitoring by qualified healthcare providers. Additionally, there is generally pent up demand for a new specialty drug, making the first few years of use very expensive.

According to Mercer, cellular and gene therapies have the potential to have a significant impact on state medicaid budget programs. The cost of these therapies are often high on a per-dose basis, but generally require only a limited number of doses. These drugs have a potential multi-million dollar cost per treatment.

Highlights for Gene Therapies are:
Spinal Muscular Atrophy (SMA) - to prevent further muscular degradation.
Hemophilia - to reduce or eliminate the need for blood factor replacement.
Duchenne Muscular Dystrophy (DMD) - to prevent muscular cell deterioration.

Mercer indicates that overall annual spending on drugs is forecasted to increase 5% to 7% between CY 2018 and CY 2019, and 4% to 6% between CY 2019 and CY 2020. MHD expended 51.2% of all pharmacy costs on specialty drugs in FY17, 55.4% in FY18, and 59.0% in FY19, but is expected to grow to 61.0% in FY20. The difference in the specialty usage rates between MHD and the commercial market is due to the MHD caseload mix.

NEW DECISION ITEM

RANK: **18** OF **36**

Department: Social Services **Budget Unit: 90541C**
Division: MO HealthNet
DI Name: Pharmacy Specialty PMPM **DI# 1886008** **HB Section: 11.630**

Specialty Drugs	
FY20 Trend	6.699%
FY21 Trend	6.000%

	OAA Specialty	PTD Specialty	Others Specialty	Total
FY19 PMPM	$286.88	$662.83	$62.99	
Specialty Rate	59.04%	59.04%	59.04%	
Subtotal	$169.37	$391.33	$37.19	
FY20 PMPM Trend Rate	2.902%	2.902%	2.902%	
Increase in PMPM	$4.92	$11.36	$1.08	
FY20 Estimate	$174.29	$402.69	$38.27	
FY21 PMPM Trend Rate	6.000%	6.000%	6.000%	
FY21 Estimate	$10.46	$24.16	$2.30	
Members	9,832	84,279	761,198	
Monthly Cost	$102,843	$2,036,191	$1,750,755	
12 Months	12	12	12	
Yearly Cost	$1,234,116	$24,434,292	$21,009,060	$46,677,468

Pharmacy expenditures by program:	FMAP	Total	GR	FF
State Medical		**$142,667**	$142,667	$0
1115 Waiver-Child	75.96%	**$791,826**	$190,355	$601,471
Pharmacy	65.65%	**$45,714,365**	$15,702,884	$30,011,481
SMHB		**$28,610**	$9,828	$18,782
		$46,677,468	$16,045,734	$30,631,734

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PSD	16,045,734		30,631,734		0		46,677,468		0
Grand Total	16,045,734	0.0	30,631,734	0.0	0	0.0	46,677,468	0.0	0

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Department: Social Services   **Budget Unit: 90541C**
Division: MO HealthNet
DI Name: Pharmacy Specialty PMPM   **DI# 1886008**   **HB Section: 11.630**

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an activity measure for the program.

Top 10 Products Ranked By Paid Amount of FFS Claims							
	4th Qtr (April, May, June) 2019				**4th Qtr (April, May, June) 2018**		
Drug	**Rank**	**Claims**	**Paid**		**Rank**	**Claims**	**Paid**
PALIPERIDONE PALMITATE (Antipsychotic)	1	5,808	$ 10,789,510		1	3,939	$ 9,746,238
LURASIDONE HCL (Antipsychotic)	2	10,788	$ 9,184,792		2	8,384	$ 9,415,866
ADALIMUMAB (Immunosuppressive) (Humira)	3	1,518	$ 8,497,161		4	1,279	$ 7,638,612
SOFOSBUVIR/VELPATASVIR (Hepatitis C) (Epclusa)	4	305	$ 6,829,547				
SOMATROPIN (Growth Hormone)	5	1,368	$ 6,321,669		6	1,377	$ 6,432,062
ALBUTEROL SULFATE (Bronchodilator, Asthma)	6	103,879	$ 6,213,828		7	83,884	$ 6,064,033
INSULIN GLARGINE,HUMAN RECOMBINANT	7	18,884	$ 6,061,972		8	13,457	$ 5,854,415
METHYLPHENIDATE HCL (Stimulant)(Ritalin)	8	31,474	$ 5,338,739		5	31,597	$ 6,675,370
INSULIN ASPART (Diabetes)	9	12,082	$ 5,052,385				
LISDEXAMFETAMINE DIMESYLATE (ADHD)	10	17,633	$ 5,012,966		9	18,492	$ 5,227,415
GLECAPREVIR/PIBRENTASVIR(Mavyret)(Hepatitis C)					3	644	$ 8,468,258
PREGABALIN(Epilepsy/anxiety)					10	9,560	$ 4,841,565
TOTAL			**$ 69,302,569**				**$ 70,363,834**

Department: Social Services   **Budget Unit: 90541C**
Division: MO HealthNet
DI Name: Pharmacy Specialty PMPM   **DI# 1886008**   **HB Section: 11.630**

6b. Provide a measure of the program's quality.

Point of Sale (POS) Edit Savings

Year	Actual	Base	Stretch
SFY17 Actual	$76,369,800		
SFY18 Actual	$102,882,559		
SFY19 Actual	$150,135,476		
SFY20 Projected		$151,636,831	$153,138,186
SFY21 Projected		$153,153,199	$156,200,949
SFY22 Projected		$154,684,731	$159,324,968

■Actual □Base ▤Stretch

Savings from denied pharmacy claims as a result of SmartPA edits.

Department: Social Services   **Budget Unit: 90541C**
Division: MO HealthNet
DI Name: Pharmacy Specialty PMPM   **DI# 1886008**   **HB Section: 11.630**

6c. Provide a measure of the program's impact.

PMPM By Large Eligibility Group Pharmacy Expenditures

Fiscal Year	PTD	Eldery	Other(custodial parents, pregnant women, children)
SFY17 Actual	$377	$42	$319
SFY18 Acutal	$401	$47	$341
SFY19 Actual	$402	$47	$343
SFY20 Projected	$403	$48	$344
SFY21 Projected	$404	$49	$345
SFY22 Projected	$405	$50	$346

Legend: ■PTD ▤Eldery ▨Other(custodial parents, pregnant women, children)

6d. Provide a measure of the program's efficiency

Rebate Collections as a Percentage of Total Rebates Invoiced

97.3 % benchmark

Fiscal Year	Actual	Base	Stretch
SFY17 Actual	97.25%		
SFY18 Actual	97.29%		
SFY19 Actual	97.73%		
SFY20 Projected		97.78%	97.80%
SFY21 Projected		97.81%	97.83%
SFY22 Projected		97.84%	97.86%

Legend: ■Actual ☐Base ▤Stretch

As measured June 1 of each fiscal year. The benchmark is set at 97.3%, and is the average of SFY17 and SFY18.

Department: Social Services   **Budget Unit: 90541C**
Division: MO HealthNet
DI Name: Pharmacy Specialty PMPM   **DI# 1886008**   **HB Section: 11.630**

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7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

The MHD is in the process of updating its drug rebate subsystem within the Medicaid Management Information System (MMIS). Between the improvements in drug rebate invoicing and collections resulting from an improved drug rebate solution and the vendor negotiation services, MHD is estimating a 5 percent annual increase in drug rebate revenues. Based on current annual drug rebate revenues of $500 million, MHD would realize an additional $25 million annually.

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
PHARMACY								
Pharmacy Specialty PMPM - 1886008								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	46,677,468	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**46,677,468**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$46,677,468**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$16,045,734**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$30,631,734**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Core - Pharmacy Clawback

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Pharmacy Clawback

Budget Unit: 90543C

HB Section: 11.630

1. CORE FINANCIAL SUMMARY

	FY 2021 Budget Request					FY 2021 Governor's Recommendation			
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS					PS				0
EE					EE				0
PSD	230,978,651			230,978,651	PSD				0
TRF					TRF				0
Total	**230,978,651**	**0**	**0**	**230,978,651**	**Total**	**0**	**0**	**0**	**0**
FTE	0.00	0.00	0.00	0.00	FTE				0.00

Est. Fringe	*0*	*0*	*0*	*0*	***Est. Fringe***	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other funds: N/A

Other funds:

2. CORE DESCRIPTION

This core request is for the continued funding of the Medicare Part D Clawback. Clawback refers to that portion of the Medicare Prescription Drug Act which requires states to pay Medicare a portion of the cost of Part D drugs attributable to what would have been paid for by the state absent the Part D drug benefit.

3. PROGRAM LISTING (list programs included in this core funding)

Pharmacy Clawback

Department: Social Services **Budget Unit: 90543C**
Division: MO HealthNet
Core: Pharmacy Clawback **HB Section: 11.630**

4. FINANCIAL HISTORY

	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Current Yr.
Appropriation (All Funds)	211,018,979	211,947,603	252,456,617	230,978,651
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	211,018,979	211,947,603	252,456,617	230,978,651
Actual Expenditures (All Funds)	211,018,979	211,947,603	252,456,617	N/A
Unexpended (All Funds)	0	0	0	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	0	0	0	N/A
	(1)	(2)	(3)	

Actual Expenditures (All Funds)

Reverted includes the statutory three-percent reserve amount (when applicable).
Restricted includes any Governor's Expenditure Restrictions which remained at the end of the fiscal year (when applicable).

NOTES:
(1) FY17 - Expenditures of $10,305,704 were paid from Pharmacy for Clawback.
(2) FY18 - $16,428,728 was used as flex to cover other program expenditures.
(3) FY19 - $6,778,796 was brought in as flex.

DEPARTMENT OF SOCIAL SERVICES
PHARMACY-MED PART D-CLAWBACK

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	230,978,651	0	0	230,978,651	
	Total	**0.00**	**230,978,651**	**0**	**0**	**230,978,651**	
DEPARTMENT CORE REQUEST							
	PD	0.00	230,978,651	0	0	230,978,651	
	Total	**0.00**	**230,978,651**	**0**	**0**	**230,978,651**	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	230,978,651	0	0	230,978,651	
	Total	**0.00**	**230,978,651**	**0**	**0**	**230,978,651**	

Budget Unit Decision Item Budget Object Summary Fund	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
PHARMACY-MED PART D-CLAWBACK								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	252,456,617	0.00	230,978,651	0.00	230,978,651	0.00	0	0.00
TOTAL - PD	252,456,617	0.00	230,978,651	0.00	230,978,651	0.00	0	0.00
TOTAL	**252,456,617**	**0.00**	**230,978,651**	**0.00**	**230,978,651**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$252,456,617**	**0.00**	**$230,978,651**	**0.00**	**$230,978,651**	**0.00**	**$0**	**0.00**

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FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: 90543C **BUDGET UNIT NAME: Medicare Part D "Clawback"** **HOUSE BILL SECTION: 11.630**	**DEPARTMENT:** Social Services **DIVISION:** MO HealthNet

1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

<div align="center">

DEPARTMENT REQUEST

</div>

Total $230,978,651	**% Flex** 0.25%	**Flex Amount** $577,447	Not more than one quarter of one percent (.25%) flexibility is requested between sections 11.600, 11.615, 11.630, 11.645, 11.660, 11.675, 11.690, and 11.695.

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

PRIOR YEAR **ACTUAL AMOUNT OF FLEXIBILITY USED**	**CURRENT YEAR** **ESTIMATED AMOUNT OF** **FLEXIBILITY THAT WILL BE USED**	**BUDGET REQUEST** **ESTIMATED AMOUNT OF** **FLEXIBILITY THAT WILL BE USED**
N/A	HB11 language allows up to .25% flexibility between 11.600, 11.615, 11.630, 11.645, 11.660, 11.675, 11.690, and 11.695.	.25% flexiblity is being requested for FY21

3. Please explain how flexibility was used in the prior and/or current years.

PRIOR YEAR **EXPLAIN ACTUAL USE**	**CURRENT YEAR** **EXPLAIN PLANNED USE**
N/A	Flex is to be used to pay for contracted expenditures through the Administration and Information System program lines.

FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: 90543C	DEPARTMENT: Social Services
BUDGET UNIT NAME: Medicare Part D "Clawback"	
HOUSE BILL SECTION: 11.630	DIVISION: MO HealthNet

1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

DEPARTMENT REQUEST

Total	% Flex	Flex Amount	Not more than ten percent (10%) flexibility is requested between sections 11.630, 11.645, 11.650, 11.655, 11.660, 11.675, 11.680, 11.685, 11.690, 11.695, 11.710, 11.725, 11.730, and 11.740.
$230,978,651	10%	$23,097,865	

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED	CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED	BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED
$15,500,000	HB11 language allows up to 10% flexibility between 11.630, 11.645, 11.650, 11.655, 11.660, 11.675, 11.680, 11.685, 11.690, 11.695, 11.710, 11.725, 11.730, and 11.740.	10% flexiblity is being requested for FY21

3. Please explain how flexibility was used in the prior and/or current years.

PRIOR YEAR EXPLAIN ACTUAL USE	CURRENT YEAR EXPLAIN PLANNED USE
Flex was used to cover shortfalls in Pharmacy until the Supplemental was received.	Flexibility allows continued service without disrupting or delaying benefits and allows the funding of the Medicaid program.

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
PHARMACY-MED PART D-CLAWBACK								
CORE								
PROGRAM DISTRIBUTIONS	252,456,617	0.00	230,978,651	0.00	230,978,651	0.00	0	0.00
TOTAL - PD	**252,456,617**	**0.00**	**230,978,651**	**0.00**	**230,978,651**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$252,456,617**	**0.00**	**$230,978,651**	**0.00**	**$230,978,651**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	$252,456,617	0.00	$230,978,651	0.00	$230,978,651	0.00		0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$0	0.00		0.00
OTHER FUNDS	$0	0.00	$0	0.00	$0	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s): 11.630**
Program Name: Pharmacy Clawback
Program is found in the following core budget(s): Pharmacy Clawback

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1a. What strategic priority does this program address?

Access to safe and effective medications

1b. What does this program do?

The Medicare Prescription Drug, Improvement, and Modernization Act (MMA) of 2003 required that all individuals who are eligible for both Medicare and Medicaid, also known as dual eligibles, receive their prescription drugs through the Medicare Part D program. This change resulted in a significant shift in benefits for elderly and disabled dual eligible participants because they receive their drugs through a prescription drug plan (PDP) rather than through the state's MO HealthNet program. States are required to make a monthly payment to the federal government in lieu of the money that the states would have spent on providing prescription drugs to participants in the MO HealthNet program.

The federal government refers to this payment as the Phased-Down State Contribution, also referred to as Clawback. This Clawback payment is a funding source for the Medicare Part D program.

PAYMENT METHODOLOGY
The Clawback consists of a monthly calculation based on the combination of (a) the state's per capita spending on prescription drugs in 2003, (b) the state's federal Medicaid match rate, (c) the number of dual eligibles residing in the state, and (d) a Phase-Down percentage of state savings to be returned to the federal government, which began with 90% in CY 2006 and phased down to the current floor of 75% in CY 2015. The Clawback rate for each state, as identified by the Centers for Medicare and Medicaid Services (CMS), is multiplied by the number of dual eligibles in each state in order to determine the monthly payment due. The Clawback assessment is paid one month in arrears.

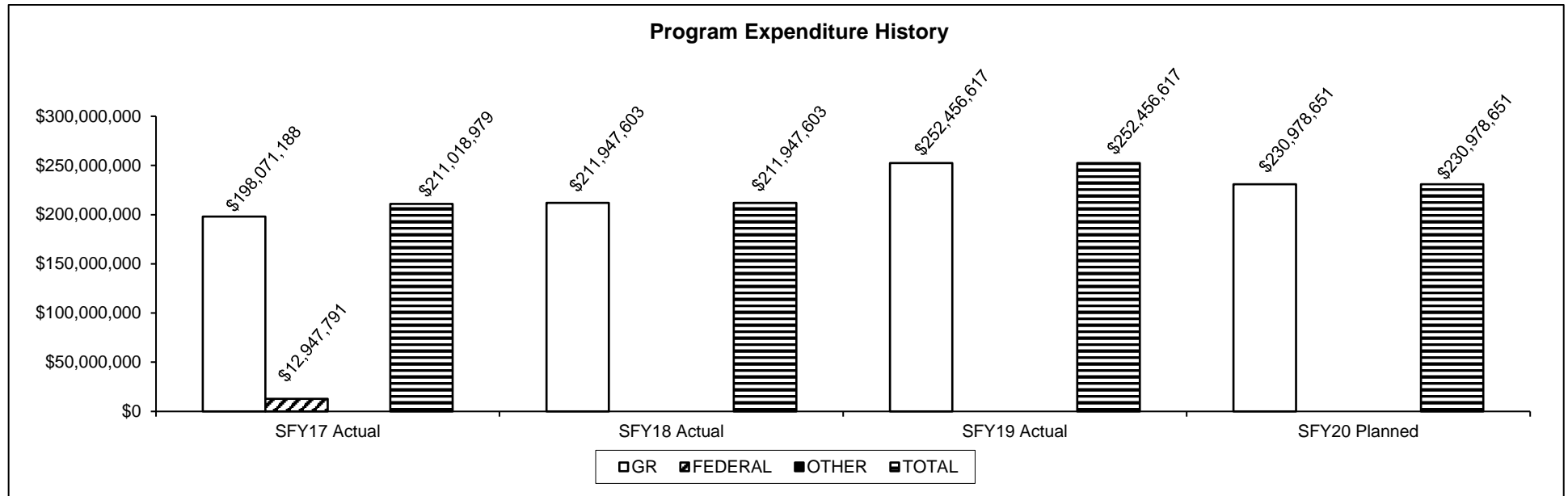**Department: Social Services**
Program Name: Pharmacy Clawback
Program is found in the following core budget(s): Pharmacy Clawback

HB Section(s): 11.630

Rate History
Below is a chart showing the historical rates MO HealthNet paid to the federal government. Rates are adjusted each January by CMS, and adjusted again in October to account for changes in Missouri Federal Medical Assistance Percentages (FMAP) rates. In October CMS announces rates for the following January through September time period, and announces the FMAP-adjusted rates once FMAP rates are finalized.

	Clawback Rate	Change
Oct-Sept 20	$146.19	($0.94)
Jan-Sept 20	$147.13	$7.29
Oct-Dec 19	$139.84	($1.02)
Jan-Sept 19	$140.86	$2.68
Oct-Dec 18	$138.18	($3.16)
Jan-Sept 18	$141.34	$1.70
Oct-Dec 17	$139.63	($5.52)
Jan-Sept 17	$145.16	$15.47
Oct-Dec 16	$129.69	$0.25
Jan-Sept 16	$129.44	$13.47
Oct-Dec 15	$115.97	$0.54
Jan-Sept 15	$115.43	$1.58

This program is exempt from performance measures as it is a mandated payment to the federal government.

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Pharmacy Clawback
Program is found in the following core budget(s): Pharmacy Clawback

HB Section(s): 11.630

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3. Provide actual expenditures for the prior three fiscal years; planned expenditures for the current fiscal year. (*Note: Amounts do not include fringe benefit costs.*)

Program Expenditure History

Values shown on chart:

- SFY17 Actual: GR $198,071,188; FEDERAL $12,947,791; TOTAL $211,018,979
- SFY18 Actual: GR $211,947,603; TOTAL $211,947,603
- SFY19 Actual: GR $252,456,617; TOTAL $252,456,617
- SFY20 Planned: GR $230,978,651; TOTAL $230,978,651

Legend: GR   FEDERAL   OTHER   TOTAL

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4. What are the sources of the "Other " funds?

N/A

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5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Federal law: Medicare Prescription Drug Improvement and Modernization Act (MMA) of 2003, P.L. 108-173.

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6. Are there federal matching requirements? If yes, please explain.

No.

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7. Is this a federally mandated program? If yes, please explain.

Yes. All States, including Missouri, are required to make a monthly payment to the federal government to re-direct the money that the states would have spent on providing prescription drugs to participants in MO HealthNet.

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Core - Missouri RX Plan

CORE DECISION ITEM

Department: Social Services   **Budget Unit: 90538C**
Division: MO HealthNet
Core: Missouri Rx Plan   **HB Section: 11.635**

1. CORE FINANCIAL SUMMARY

	FY 2021 Budget Request					FY 2021 Governor's Recommendation			
	GR	**Federal**	**Other**	**Total**		**GR**	**Federal**	**Other**	**Total**
PS					**PS**				0
EE					**EE**				0
PSD	3,039,439		2,788,774	5,828,213	**PSD**				0
TRF					**TRF**				0
Total	**3,039,439**	**0**	**2,788,774**	**5,828,213**	**Total**	**0**	**0**	**0**	**0**
FTE	**0.00**	**0.00**	**0.00**	**0.00**	**FTE**				**0.00**

Est. Fringe	0	0	0	0	**Est. Fringe**	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Missouri Rx Plan Fund (0779) - $2,788,774   Other Funds:

2. CORE DESCRIPTION

The Missouri Rx Plan (MORx) provides pharmaceutical assistance to Medicare/Medicaid dual eligibles. MORx facilitates coordination of benefits between the MORx plan and the federal Medicare Part D drug benefit program established by the Medicare Prescription Drug Improvement and Modernization Act of 2003 (MMA), P.L. 108-173, and enrolls individuals in the program.

3. PROGRAM LISTING (list programs included in this core funding)

Missouri Rx Plan

CORE DECISION ITEM

Department: Social Services   **Budget Unit: 90538C**
Division: MO HealthNet
Core: Missouri Rx Plan   **HB Section: 11.635**

4. FINANCIAL HISTORY

	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Current Yr.
Appropriation (All Funds)	24,986,247	11,562,803	11,370,890	5,828,213
Less Reverted (All Funds)	(558,085)	(207,224)	(201,467)	N/A
Less Restricted (All Funds)	(212,035)	0	0	N/A
Budget Authority (All Funds)	24,216,127	11,355,579	11,169,423	5,828,213
Actual Expenditures (All Funds)	22,883,096	6,693,464	4,768,749	N/A
Unexpended (All Funds)	1,333,031	4,662,115	6,400,674	N/A
Unexpended, by Fund:				
General Revenue	1,333,031	4,662,115	4,534,122	N/A
Federal	0	0	0	N/A
Other	0	0	1,866,552	N/A
	(1)	(2)	(3)	
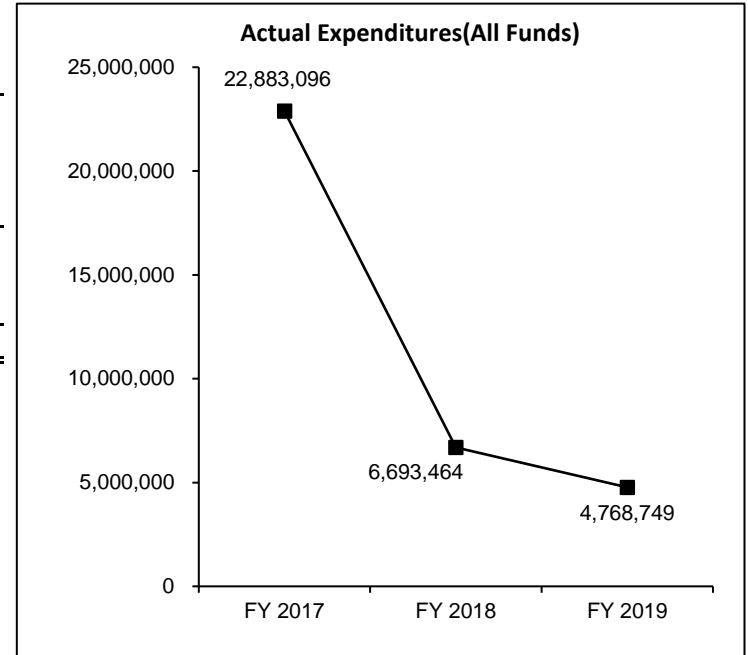
Actual Expenditures(All Funds)

(Line chart showing: FY 2017 = 22,883,096; FY 2018 = 6,693,464; FY 2019 = 4,768,749. Y-axis ranges from 0 to 25,000,000.)

Reverted includes the statutory three-percent reserve amount (when applicable).
Restricted includes any Governor's Expenditure Restrictions which remained at the end of the fiscal year (when applicable).

NOTES:

(1) FY17 - $1,333,031 lapse of GR due to declining number of eligible participants.

(2) FY18 **-** $3,932,584 agency reserve in GR due to estimated lapse. There was change in eligibility in FY18 that limited MO Rx to individuals who were Medicaid and Medicare (dual) eligible only.

(3) FY19 - $3,676,125 agency reserve in GR due to estimated lapse.

DEPARTMENT OF SOCIAL SERVICES
MISSOURI RX PLAN

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	3,039,439	0	2,788,774	5,828,213	
	Total	**0.00**	**3,039,439**	**0**	**2,788,774**	**5,828,213**	
DEPARTMENT CORE REQUEST							
	PD	0.00	3,039,439	0	2,788,774	5,828,213	
	Total	**0.00**	**3,039,439**	**0**	**2,788,774**	**5,828,213**	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	3,039,439	0	2,788,774	5,828,213	
	Total	**0.00**	**3,039,439**	**0**	**2,788,774**	**5,828,213**	

Budget Unit Decision Item Budget Object Summary Fund	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
MISSOURI RX PLAN								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	1,979,975	0.00	3,039,439	0.00	3,039,439	0.00	0	0.00
MISSOURI RX PLAN FUND	2,788,774	0.00	2,788,774	0.00	2,788,774	0.00	0	0.00
TOTAL - PD	4,768,749	0.00	5,828,213	0.00	5,828,213	0.00	0	0.00
TOTAL	**4,768,749**	**0.00**	**5,828,213**	**0.00**	**5,828,213**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$4,768,749**	**0.00**	**$5,828,213**	**0.00**	**$5,828,213**	**0.00**	**$0**	**0.00**

Budget Unit	FY 2019	FY 2019	FY 2020	FY 2020	FY 2021	FY 2021	*************	*************
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
MISSOURI RX PLAN								
CORE								
PROGRAM DISTRIBUTIONS	4,768,749	0.00	5,828,213	0.00	5,828,213	0.00	0	0.00
TOTAL - PD	**4,768,749**	**0.00**	**5,828,213**	**0.00**	**5,828,213**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$4,768,749**	**0.00**	**$5,828,213**	**0.00**	**$5,828,213**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	$1,979,975	0.00	$3,039,439	0.00	$3,039,439	0.00		0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$0	0.00		0.00
OTHER FUNDS	$2,788,774	0.00	$2,788,774	0.00	$2,788,774	0.00		0.00

PROGRAM DESCRIPTION

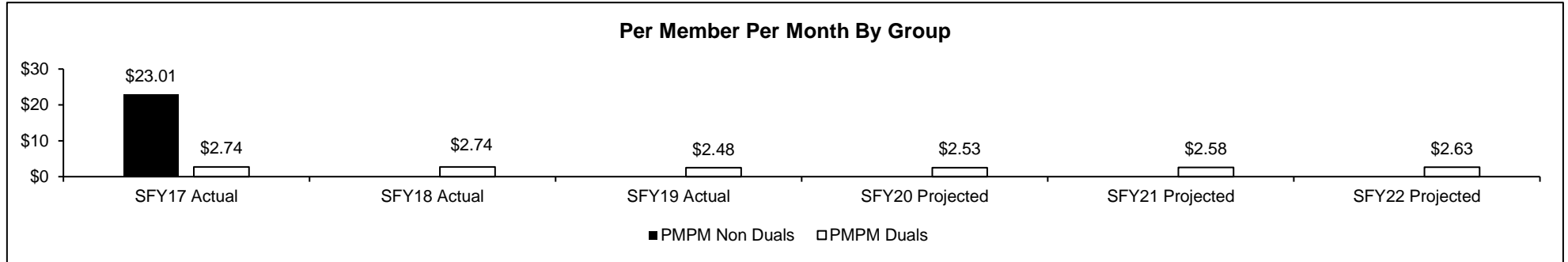**Department: Social Services**   **HB Section(s): 11.635**
Program Name: Missouri Rx Plan
**Program is found in the following core budget(s): Missouri Rx Plan**

1a. What strategic priority does this program address?

Access to safe and effective medications for MHD participants

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1b. What does this program do?

The purpose of this program is to coordinate pharmaceutical benefits between the MORx plan and the federal Medicare Part D drug program for Medicare/Medicaid dual eligibles. SB 539 (2005) established a state pharmaceutical assistance program known as the Missouri Rx (MORx) plan. SB 139 (2017) limited the Missouri Rx program to individuals who are eligible for both MO HealthNet and Medicare. SB 514 (2019) removed the MO HealthNet dual eligibility requirement, while retaining the income limitations, subject to appropriations. The MORx program has been reauthorized by the General Assembly through August 28, 2022.

In FY20 it is estimated the program will save participants $6 million in prescription drug costs. Without the assistance offered by MORx, participants who are eligible for both Medicaid and Medicare, also known as dually eligible, could be at a higher risk of medication non-compliance which potentially leads to higher costs to the Medicaid program for resulting medical treatment and worsening of existing health conditions.

Subject to appropriation, the MORx plan pays 50% of members' out of pocket costs which are remaining after their Medicare Prescription Drug Plan pays. MORx does not cover Medicare Part D premiums. MORx works with all Medicare Part D plans to provide members with drug coverage.

2a. Provide an activity measure for the program.

Average Monthly MORx Members

Category	Value
SFY17 Actual	240,631
SFY18 Actual	182,689
SFY19 Actual	184,776
SFY20 Projected	184,776
SFY21 Projected	184,776
SFY22 Projected	184,776

FY18 reflects a change in the MORx program coverage to limit it to Dual eligibles.

Department: Social Services   **HB Section(s): 11.635**
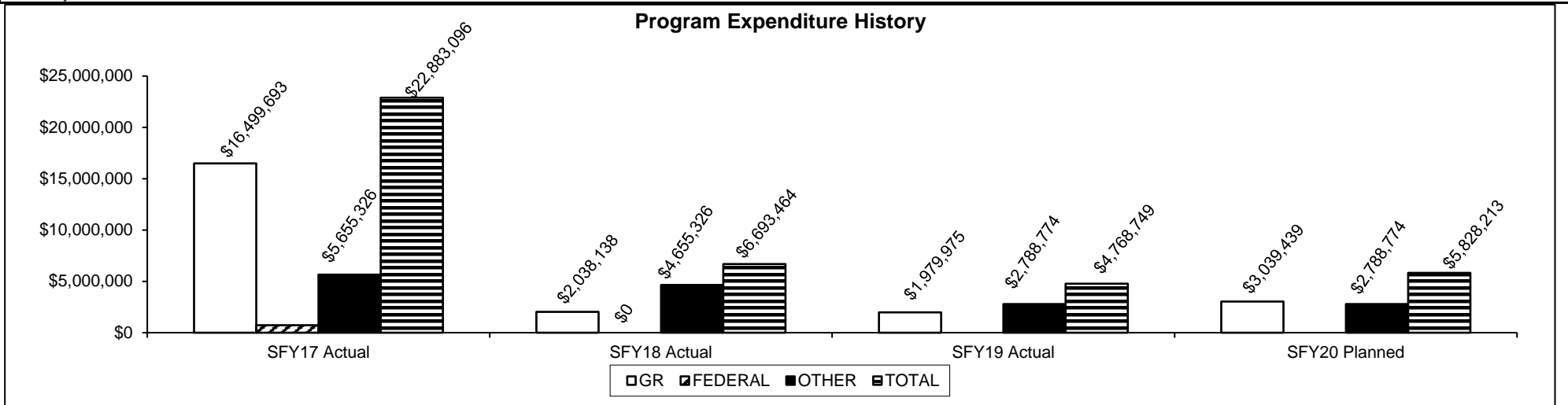**Program Name: Missouri Rx Plan**
Program is found in the following core budget(s): Missouri Rx Plan

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2b. Provide a measure of the program's quality.

Per Member Per Month By Group

FY18 reflects a change in the MORx program coverage to limit it to Dual eligibles.

2c.   Provide a measure of the program's impact.

MORx Total Monthly Expenditures
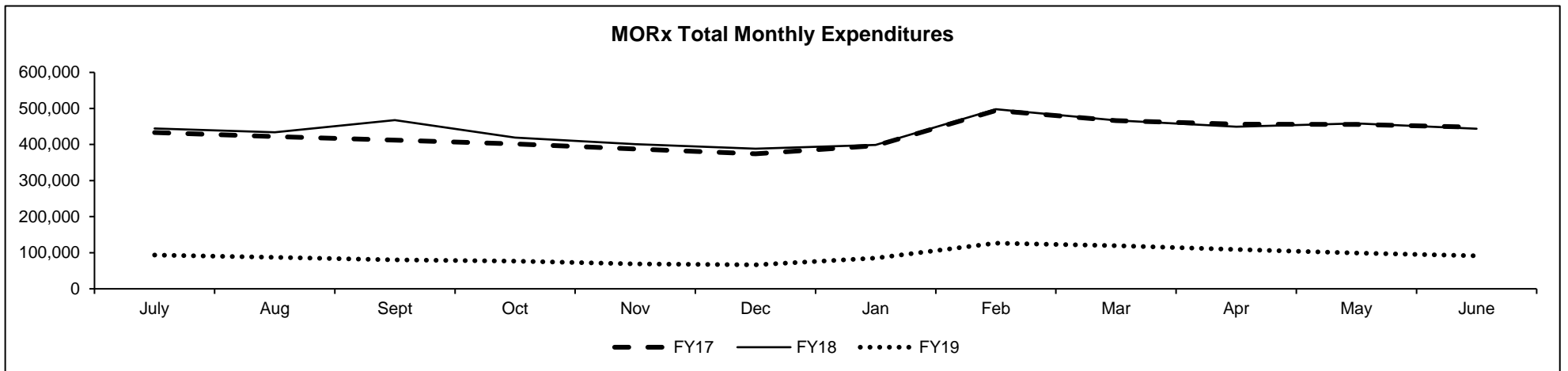
FY18 reflects a change in the MORx program coverage to limit it to Dual eligibles.

PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s): 11.635**
Program Name: Missouri Rx Plan
Program is found in the following core budget(s): Missouri Rx Plan

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2d.   Provide a measure of the program's efficiency.

Number of MORx Claims
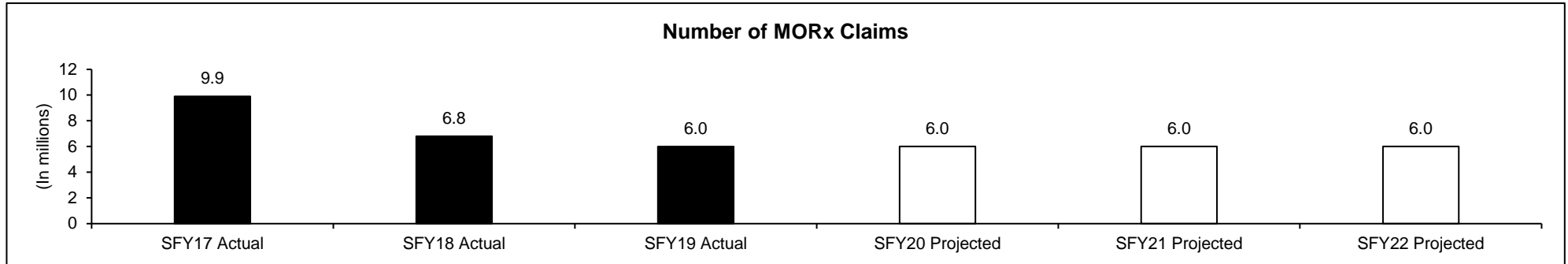
Effective July 01, 2017, the MORx program only covers Dual eligibles. The MORx program has been reauthorized by the General Assembly through August 28, 2022.

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3. Provide actual expenditures for the prior three fiscal years; planned expenditures for the current fiscal year. (*Note: Amounts do not include fringe benefit costs.*)

Program Expenditure History

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Department: Social Services   **HB Section(s): 11.635**
Program Name: Missouri Rx Plan
Program is found in the following core budget(s): Missouri Rx Plan

4. What are the sources of the "Other " funds?

Missouri Rx Plan Fund (0779)

5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: Sections 208.780 through 208.798, RSMo. Federal law: Medicare Prescription Drug Improvement and Modernization Act of 2003, P.L. 108-173.

6. Are there federal matching requirements? If yes, please explain.

No. This program is funded with 100% state sources.

7. Is this a federally mandated program? If yes, please explain.

No. The MORx program is subject to appropriations.

Core - Pharmacy FRA (PFRA)

CORE DECISION ITEM

Department: Social Services   **Budget Unit: 90542C**
Division: MO HealthNet
Core: Pharmacy Reimbursement Allowance (PFRA) Payments   **HB Section: 11.640**

1. CORE FINANCIAL SUMMARY

	FY 2021 Budget Request					FY 2021 Governor's Recommendation			
	GR	**Federal**	**Other**	**Total**		**GR**	**Federal**	**Other**	**Total**
PS					**PS**				0
EE					**EE**				0
PSD			108,308,926	108,308,926	**PSD**				0
TRF					**TRF**				0
Total	**0**	**0**	**108,308,926**	**108,308,926**	**Total**	**0**	**0**	**0**	**0**
FTE	**0.00**	**0.00**	**0.00**	**0.00**	**FTE**				**0.00**

Est. Fringe	*0*	*0*	*0*	*0*	*Est. Fringe*	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Pharmacy Reimbursement Allowance Fund (0144) - $108,308,926   Other Funds:

2. CORE DESCRIPTION

This item funds payments for pharmacy services provided to MO HealthNet participants. Funds from this core are used to provide enhanced dispensing fee payment rates using the Pharmacy Reimbursement Allowance under the Title XIX of the Social Security Act as a General Revenue equivalent.

3. PROGRAM LISTING (list programs included in this core funding)

Pharmacy Reimbursement Allowance (PFRA) Program

CORE DECISION ITEM

Department: Social Services   **Budget Unit: 90542C**
Division: MO HealthNet
Core: Pharmacy Reimbursement Allowance (PFRA) Payments   **HB Section: 11.640**

4. FINANCIAL HISTORY

	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Current Yr.
Appropriation (All Funds)	108,308,926	108,308,926	108,308,926	108,308,926
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	108,308,926	108,308,926	108,308,926	108,308,926
Actual Expenditures (All Funds)	100,602,330	106,242,731	99,971,849	N/A
Unexpended (All Funds)	7,706,596	2,066,195	8,337,077	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	7,706,596	2,066,195	8,337,077	N/A
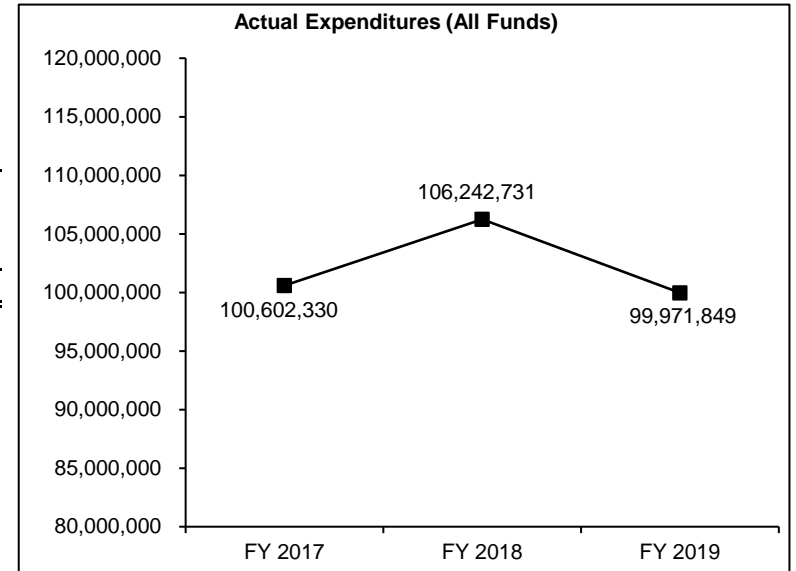
Actual Expenditures (All Funds)

Reverted includes statutory reserve amounts (when applicable).
Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

DEPARTMENT OF SOCIAL SERVICES
PHARMACY FRA

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	0	0	108,308,926	108,308,926	
	Total	**0.00**	**0**	**0**	**108,308,926**	**108,308,926**	
DEPARTMENT CORE REQUEST							
	PD	0.00	0	0	108,308,926	108,308,926	
	Total	**0.00**	**0**	**0**	**108,308,926**	**108,308,926**	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	0	0	108,308,926	108,308,926	
	Total	**0.00**	**0**	**0**	**108,308,926**	**108,308,926**	

Budget Unit Decision Item Budget Object Summary Fund	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
PHARMACY FRA								
CORE								
PROGRAM-SPECIFIC								
PHARMACY REIMBURSEMENT ALLOWAN	99,971,849	0.00	108,308,926	0.00	108,308,926	0.00	0	0.00
TOTAL - PD	99,971,849	0.00	108,308,926	0.00	108,308,926	0.00	0	0.00
TOTAL	**99,971,849**	**0.00**	**108,308,926**	**0.00**	**108,308,926**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$99,971,849**	**0.00**	**$108,308,926**	**0.00**	**$108,308,926**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
PHARMACY FRA								
CORE								
PROGRAM DISTRIBUTIONS	99,971,849	0.00	108,308,926	0.00	108,308,926	0.00	0	0.00
TOTAL - PD	**99,971,849**	**0.00**	**108,308,926**	**0.00**	**108,308,926**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$99,971,849**	**0.00**	**$108,308,926**	**0.00**	**$108,308,926**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	$0	0.00	$0	0.00	$0	0.00		0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$0	0.00		0.00
OTHER FUNDS	$99,971,849	0.00	$108,308,926	0.00	$108,308,926	0.00		0.00

PROGRAM DESCRIPTION
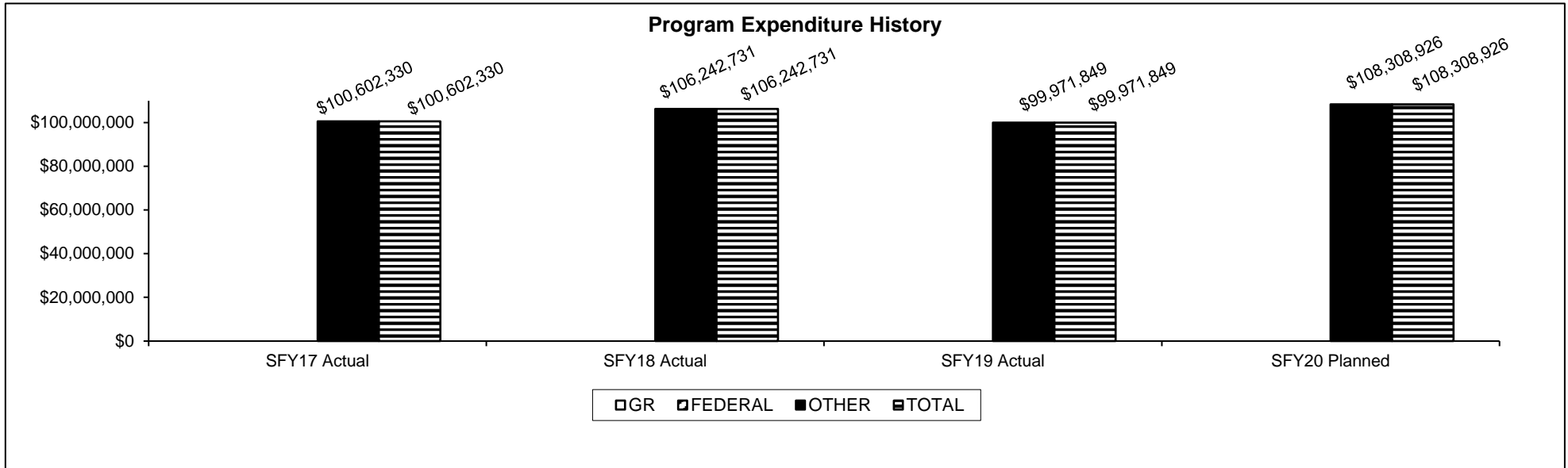
Department: Social Services   **HB Section(s): 11.640**
Program Name: Pharmacy Reimbursement Allowance (PFRA) Payments
Program is found in the following core budget(s): PFRA

| 1a. What strategic priority does this program address? |
Access to safe and effective medications

| 1b. What does this program do? |
Funds from this core are used to provide enhanced dispensing fee payment rates using the Pharmacy Reimbursement Allowance under the Title XIX of the Social Security Act as a General Revenue equivalent. Pharmacies are assessed a provider tax for the privilege of doing business in the state. The assessment is a general revenue equivalent, and when used to make valid Medicaid payments, can earn federal Medicaid matching funds. These earnings fund pharmacy expenditures in the MO HealthNet program.

The pharmacy tax was established in 2002. The tax is assessed on gross prescription receipts of all pharmacies in the state. Pharmacies are paid an enhanced dispensing fee payment of $1.55 and a generic dispensing fee payment of $2.25 (pending CMS approval). In FY19, 1,343 pharmacy facilities were assessed, and 1,318 pharmacy facilities participated in the MO HealthNet program and received enhanced reimbursement. The assessments in FY19 were $94.4 million.

SFY19 Tax Rates	
Effective Date	**PFRA Rate**
07/01/18-12/31/18	1.53%
01/01/19-03/31/19	1.43%
04/01/19-06/30/19	0.93%

The PFRA program has been reauthorized by the General Assembly through September 30, 2020.
This program is exempt from performance measures as it is an accounting mechanism.

PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s): 11.640**
Program Name: Pharmacy Reimbursement Allowance (PFRA) Payments
Program is found in the following core budget(s): PFRA

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3. Provide actual expenditures for the prior three fiscal years; planned expenditures for the current fiscal year. (*Note: Amounts do not include fringe benefit costs.*)

Program Expenditure History

Bar chart showing:
- SFY17 Actual: $100,602,330 / $100,602,330
- SFY18 Actual: $106,242,731 / $106,242,731
- SFY19 Actual: $99,971,849 / $99,971,849
- SFY20 Planned: $108,308,926 / $108,308,926

Legend: □GR ▨FEDERAL ■OTHER ▤TOTAL

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4. What are the sources of the "Other " funds?

Pharmacy Reimbursement Allowance Fund (0144)

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5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Missouri statute: Section 338.500, RSMo. Federal law: Social Security Act Section 1903(w). State Regulation: 13 CSR 70-20. Federal Regulation: 42 CFR 433 Subpart B.

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6. Are there federal matching requirements? If yes, please explain.

The FMAP (Federal Medical Assistance Percentage) fluctuates annually based on state and national economic and population data, but generally the state matching requirement is around 35% and the federal match is around 65%.

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7. Is this a federally mandated program? If yes, please explain.

No.

Core - Physician

CORE DECISION ITEM

Department: Social Services   **Budget Unit: 90544C, 90592C, 90842C**
Division: MO HealthNet
Core: Physician   **HB Section: 11.645**

1. CORE FINANCIAL SUMMARY				

	FY 2021 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD	169,527,593	390,849,971	3,837,133	564,214,697
TRF				
Total	**169,527,593**	**390,849,971**	**3,837,133**	**564,214,697**
FTE	0.00	0.00	0.00	0.00

	FY 2021 Governor's Recommendation			
	GR	Federal	Other	Total
PS				0
EE				0
PSD				0
TRF				0
Total	**0**	**0**	**0**	**0**
FTE				0.00

Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Health Initiatives Fund (HIF) (0275) - $1,427,081
Healthy Families Trust Fund (0625) - $2,159,006
Pharmacy Reimbursement Allowance Fund (0144) - $10,000
Third Party Liability Collections Fund (0120) - $241,046

Other Funds:

2. CORE DESCRIPTION

This item funds physician-related services provided to fee-for-service MO HealthNet participants.

3. PROGRAM LISTING (list programs included in this core funding)

Physician
Neonatal Abstinence Syndrome
Trauma Treatment for Kids

CORE DECISION ITEM

Department: Social Services

Division: MO HealthNet

Core: Physician

Budget Unit: 90544C, 90592C, 90842C

HB Section: 11.645

4. FINANCIAL HISTORY

	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Current Yr
Appropriation (All Funds)	488,737,244	509,233,562	526,726,843	488,333,332
Less Reverted (All Funds)	0	(15,000)	(29,604)	N/A
Less Restricted (All Funds)	(9,106,547)	0	0	N/A
Budget Authority (All Funds)	479,630,697	509,218,562	526,697,239	488,333,332
Actual Expenditures (All Funds)	479,630,697	506,159,517	523,371,628	N/A
Unexpended (All Funds)	0	3,059,045	3,325,611	N/A
Unexpended, by Fund:				
General Revenue	0	2,177,925	847,918	N/A
Federal	0	876,620	2,477,693	N/A
Other	0	4,500	0	N/A
	(1)	(2)	(3)	
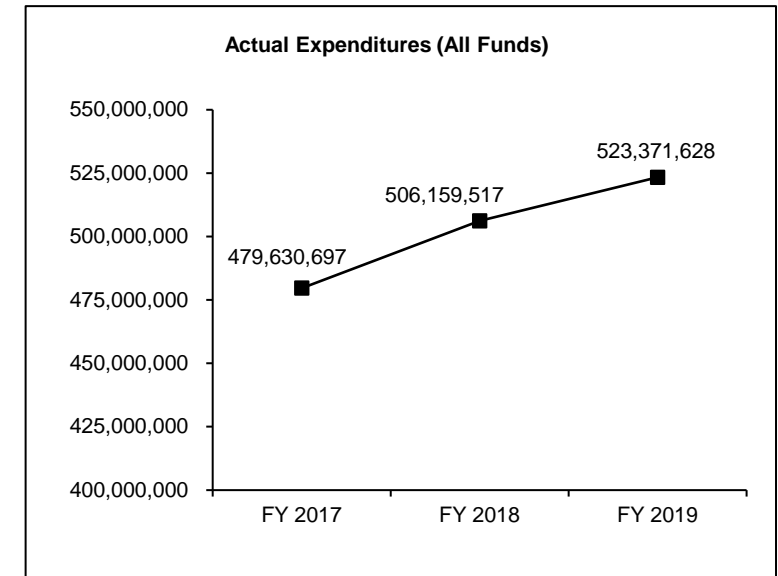
Actual Expenditures (All Funds)

Chart showing actual expenditures:
- FY 2017: 479,630,697
- FY 2018: 506,159,517
- FY 2019: 523,371,628

Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) FY17 - Expenditures of $150,418,400 for Physician services were made from the Managed Care section and $24,368 for Managed Care were made from the Physician section.

(2) FY18 **-** Lapse of $1,696,725 GR due to release of expenditure restriction in FY18. $23,269,275 GR and $20,725,656 Fed was flexed in to cover program expenditures.

(3) FY19 - $20,988,953 GR and $57,580,045 Fed was flexed in to cover program expenditures.

DEPARTMENT OF SOCIAL SERVICES
PHYSICIAN RELATED PROF

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	142,500,334	339,346,872	3,837,133	485,684,339	
	Total	**0.00**	**142,500,334**	**339,346,872**	**3,837,133**	**485,684,339**	
DEPARTMENT CORE ADJUSTMENTS							
Core Reallocation 590 8196	PD	0.00	25,809,000	0	0	25,809,000	Core Reallocation from Managed Care to Physician to cover Physician portion of the Managed Care Negotiated Contract.
Core Reallocation 590 8197	PD	0.00	0	49,191,000	0	49,191,000	Core Reallocation from Managed Care to Physician to cover Physician portion of the Managed Care Negotiated Contract.
Core Reallocation 593 8196	PD	0.00	306,688	0	0	306,688	Core Reallocation from Medicare Parity Payments to Managed Care and Physician
Core Reallocation 593 8197	PD	0.00	0	574,677	0	574,677	Core Reallocation from Medicare Parity Payments to Managed Care and Physician
NET DEPARTMENT CHANGES		**0.00**	**26,115,688**	**49,765,677**	**0**	**75,881,365**	
DEPARTMENT CORE REQUEST							
	PD	0.00	168,616,022	389,112,549	3,837,133	561,565,704	
	Total	**0.00**	**168,616,022**	**389,112,549**	**3,837,133**	**561,565,704**	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	168,616,022	389,112,549	3,837,133	561,565,704	
	Total	**0.00**	**168,616,022**	**389,112,549**	**3,837,133**	**561,565,704**	

DEPARTMENT OF SOCIAL SERVICES
TRAUMA TREAT

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	430,150	819,850	0	1,250,000	
	Total	**0.00**	**430,150**	**819,850**	**0**	**1,250,000**	
DEPARTMENT CORE REQUEST							
	PD	0.00	430,150	819,850	0	1,250,000	
	Total	**0.00**	**430,150**	**819,850**	**0**	**1,250,000**	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	430,150	819,850	0	1,250,000	
	Total	**0.00**	**430,150**	**819,850**	**0**	**1,250,000**	

DEPARTMENT OF SOCIAL SERVICES
NEONATAL ABSTINENCE SYNDROME

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	481,421	917,572	0	1,398,993	
	Total	**0.00**	**481,421**	**917,572**	**0**	**1,398,993**	
DEPARTMENT CORE REQUEST							
	PD	0.00	481,421	917,572	0	1,398,993	
	Total	**0.00**	**481,421**	**917,572**	**0**	**1,398,993**	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	481,421	917,572	0	1,398,993	
	Total	**0.00**	**481,421**	**917,572**	**0**	**1,398,993**	

Budget Unit Decision Item Budget Object Summary Fund	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
PHYSICIAN RELATED PROF								
CORE								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	243,817	0.00	0	0.00	0	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	243,817	0.00	0	0.00	0	0.00	0	0.00
TOTAL - EE	487,634	0.00	0	0.00	0	0.00	0	0.00
PROGRAM-SPECIFIC								
GENERAL REVENUE	164,822,581	0.00	142,500,334	0.00	168,616,022	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	341,748,123	0.00	339,346,872	0.00	389,112,549	0.00	0	0.00
THIRD PARTY LIABILITY COLLECT	241,046	0.00	241,046	0.00	241,046	0.00	0	0.00
PHARMACY REIMBURSEMENT ALLOWAN	10,000	0.00	10,000	0.00	10,000	0.00	0	0.00
HEALTH INITIATIVES	4,127,081	0.00	1,427,081	0.00	1,427,081	0.00	0	0.00
HEALTHY FAMILIES TRUST	11,825,877	0.00	2,159,006	0.00	2,159,006	0.00	0	0.00
TOTAL - PD	522,774,708	0.00	485,684,339	0.00	561,565,704	0.00	0	0.00
TOTAL	**523,262,342**	**0.00**	**485,684,339**	**0.00**	**561,565,704**	**0.00**	**0**	**0.00**
MHD CTC - 1886001								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	39,961,982	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	10,640,794	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	50,602,776	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**50,602,776**	**0.00**	**0**	**0.00**
Asset Limit CTC - 1886020								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	357,990	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	684,194	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	1,042,184	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**1,042,184**	**0.00**	**0**	**0.00**
Asset Limit Phase-In - 1886021								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	178,246	0.00	0	0.00

DECISION ITEM SUMMARY

Budget Unit Decision Item Budget Object Summary Fund	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
PHYSICIAN RELATED PROF								
Asset Limit Phase-In - 1886021								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	340,666	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	518,912	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**518,912**	**0.00**	**0**	**0.00**
CCBHO - 1886022								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	1,545,750	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	2,954,250	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	4,500,000	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**4,500,000**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$523,262,342**	**0.00**	**$485,684,339**	**0.00**	**$618,229,576**	**0.00**	**$0**	**0.00**

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Budget Unit Decision Item Budget Object Summary Fund	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
TRAUMA TREAT								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	58,910	0.00	430,150	0.00	430,150	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	819,850	0.00	819,850	0.00	0	0.00
TOTAL - PD	58,910	0.00	1,250,000	0.00	1,250,000	0.00	0	0.00
TOTAL	**58,910**	**0.00**	**1,250,000**	**0.00**	**1,250,000**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$58,910**	**0.00**	**$1,250,000**	**0.00**	**$1,250,000**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Summary Fund	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
NEONATAL ABSTINENCE SYNDROME								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	50,376	0.00	481,421	0.00	481,421	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	917,572	0.00	917,572	0.00	0	0.00
TOTAL - PD	50,376	0.00	1,398,993	0.00	1,398,993	0.00	0	0.00
TOTAL	**50,376**	**0.00**	**1,398,993**	**0.00**	**1,398,993**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$50,376**	**0.00**	**$1,398,993**	**0.00**	**$1,398,993**	**0.00**	**$0**	**0.00**

FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: 90544C	**DEPARTMENT:** Social Services
BUDGET UNIT NAME: Physician	
HOUSE BILL SECTION: 11.645	**DIVISION:** MO HealthNet

1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

DEPARTMENT REQUEST

Total	**% Flex**	**Flex Amount**	Not more than one quarter of one percent (.25%) flexibility is requested between sections 11.600, 11.615, 11.630, 11.645, 11.660, 11.675, 11.690, and 11.695.
$618,229,576	0.25%	$1,545,574	

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED	CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED	BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED
N/A	HB11 language allows up to .25% flexibility between 11.600, 11.615, 11.630, 11.645, 11.660, 11.675, 11.690, and 11.695.	.25% flexiblity is being requested for FY21

3. Please explain how flexibility was used in the prior and/or current years.

PRIOR YEAR EXPLAIN ACTUAL USE	CURRENT YEAR EXPLAIN PLANNED USE
N/A	Flex is to be used to pay for contracted expenditures through the Administration and Information System program lines.

FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: 90544C **BUDGET UNIT NAME: Physician** **HOUSE BILL SECTION: 11.645**	**DEPARTMENT:** Social Services **DIVISION:** MO HealthNet

1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

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DEPARTMENT REQUEST

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Total $618,229,576	**% Flex** 10%	**Flex Amount** $61,822,958	Not more than ten percent (10%) flexibility is requested between sections 11.630, 11.645, 11.650, 11.655, 11.660, 11.675, 11.680, 11.685, 11.690, 11.695, 11.710, 11.725, 11.730, and 11.740.

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED	CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED	BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED
$3,328,651	HB11 language allows up to 10% flexibility between 11.630, 11.645, 11.650, 11.655, 11.660, 11.675, 11.680, 11.685, 11.690, 11.695, 11.710, 11.725, 11.730, and 11.740.	10% flexiblity is being requested for FY21

3. Please explain how flexibility was used in the prior and/or current years.

PRIOR YEAR EXPLAIN ACTUAL USE	CURRENT YEAR EXPLAIN PLANNED USE
Flex was used to cover shortfalls in Nursing Facilities, Premium, Rehab, and Clawback payments until the Supplemental was received.	Flexibility allows continued service without disrupting or delaying benefits and allows the funding of the Medicaid program.

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
PHYSICIAN RELATED PROF								
CORE								
PROFESSIONAL SERVICES	487,634	0.00	0	0.00	0	0.00	0	0.00
TOTAL - EE	**487,634**	**0.00**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**
PROGRAM DISTRIBUTIONS	522,774,708	0.00	485,684,339	0.00	561,565,704	0.00	0	0.00
TOTAL - PD	**522,774,708**	**0.00**	**485,684,339**	**0.00**	**561,565,704**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$523,262,342**	**0.00**	**$485,684,339**	**0.00**	**$561,565,704**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	$165,066,398	0.00	$142,500,334	0.00	$168,616,022	0.00		0.00
FEDERAL FUNDS	$341,991,940	0.00	$339,346,872	0.00	$389,112,549	0.00		0.00
OTHER FUNDS	$16,204,004	0.00	$3,837,133	0.00	$3,837,133	0.00		0.00

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
TRAUMA TREAT								
CORE								
PROGRAM DISTRIBUTIONS	58,910	0.00	1,250,000	0.00	1,250,000	0.00	0	0.00
TOTAL - PD	**58,910**	**0.00**	**1,250,000**	**0.00**	**1,250,000**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$58,910**	**0.00**	**$1,250,000**	**0.00**	**$1,250,000**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$58,910**	**0.00**	**$430,150**	**0.00**	**$430,150**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$819,850**	**0.00**	**$819,850**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
NEONATAL ABSTINENCE SYNDROME								
CORE								
PROGRAM DISTRIBUTIONS	50,376	0.00	1,398,993	0.00	1,398,993	0.00	0	0.00
TOTAL - PD	**50,376**	**0.00**	**1,398,993**	**0.00**	**1,398,993**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$50,376**	**0.00**	**$1,398,993**	**0.00**	**$1,398,993**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$50,376**	**0.00**	**$481,421**	**0.00**	**$481,421**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$917,572**	**0.00**	**$917,572**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s): 11.645**
Program Name: Physician
Program is found in the following core budget(s): Physician

1a. What strategic priority does this program address?

Sustain healthy lives by increasing preventive services

1b. What does this program do?

This program funds physician-related services provided to fee-for-service MO HealthNet participants.☐

Services are provided by:
- Physicians
- Podiatrists
- Chiropractors
- Advanced Practitioners
  - Advanced Practice Registered Nurses (APRN) or Nurse Practitioners (NP)
  - Nurse Midwives
  - Physician Assistants (PA)
  - Assistant Physicians (AP) once licensed by the Board of Healing Arts
  - Certified Registered Nurse Anesthetists (CRNA) and Anesthesiologists Assistants (AA)
- Behavioral health providers
  - Psychiatrists
  - Psychologists, included provisional licensees
  - Licensed professional counselors (LPC), including provisional licensees
  - Licensed clinical social workers (LCSW), including provisional licensees
  - Licensed behavior analysts

Services may be billed by the providers listed above or on behalf of professional services provided at the following locations:
- Clinics
- Rural health clinics (RHC)
- Federally qualified health centers (FQHC)
- Ambulatory surgical centers (ASC)
- Lab and x-ray facilities
- Independent diagnostic testing facilities
- Participant's home
- Hospital (Inpatient and Outpatient settings)
- Nursing facilities

PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s): 11.645**
Program Name: Physician
Program is found in the following core budget(s): Physician

Reimbursement Methodology

The majority of services provided by physician-related professionals are reimbursed on a fee schedule; whereby each procedure or claim is priced individually by a medical consultant based on the unique circumstances of the case. Certain procedures are only reimbursable with prior approval. A few services are reimbursed manually.

Services rendered by someone other than a physician or podiatrist, including appropriate supplies, are billable on behalf of the physician only where there is direct personal supervision by the physician. This applies to services rendered by auxiliary personnel employed by the physician and working under his/her on-site supervision. Auxilary personnel include nurses, non-physician anesthetists (including Certified Registered Nurse Anesthetists and Anesthesiologist Assistants), technicians, and other aides.

The following advanced practitioners can bill MO HealthNet independently from a physician, but must still operate within the terms of their collaborative practice arrangement with the physician:
- Advanced Practice Registered Nurses (APRN) and Nurse Practitioners (NP),
- Nurse Midwives,
- Physician Assistants (PA), and
- Assistant Physicians (AP).

The services of physicians, podiatrists, advanced practitioners, chiropractors, and behavioral health providers may be administered in multiple settings including the physician's office, the participant's home (or other place of residence such as a nursing facility), the hospital (inpatient/outpatient) or settings such as a medical clinic or ambulatory surgical care facility. The services of a nurse midwife may also be administered in the home of the participant (delivery and newborn care only) or a birthing center.

MO HealthNet reimbursement may also be made directly to the facility which employs the health care professionals. Facilities which receive direct payment from the physician-related services program include clinics, laboratory and x-ray facilities, independent diagnostic testing facilities (IDTF), rural health clinics (RHC), federally qualified health centers (FQHC), and hospitals (inpatient and outpatient). Each provider offering health care services through the facility (with the exception of RHCs), in addition to being employed by the participating clinic, must be a MO HealthNet provider. Ambulatory surgical centers are also reimbursed for a facility fee which does not include professional services of the performing practitioner.

PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s): 11.645**
Program Name: Physician
Program is found in the following core budget(s): Physician

Obesity
The MO HealthNet Division is proposing to implement an Obesity Program program that allows MO HealthNet to pay for the biopsychosocial treatment of obesity for youth and adult participants. The goal of this policy is to improve health outcomes for both the youth and adult population by managing obesity and associated co-morbidities.

Diabetes Prevention Program
The MO HealthNet Division (MHD) is also proposing to implement a Diabetes Prevention Program (DPP) for adult participants at risk for developing type-2 diabetes. It will be a structured lifestyle intervention following the Center for Disease Control's (CDC) curriculum that includes dietary coaching, lifestyle intervention, and moderate physical activity, all with the goal of preventing the onset of diabetes in individuals who are pre-diabetic.

CCBHO
Missouri participated in a Medicaid demonstration project under Section 223 of the Protecting Access to Medicare Act designed to demonstrate the cost effectiveness of converting Medicaid reimbursement for community behavioral health services from a fee-for-service reimbursement system to a prospective payment system (PPS) while improving the availability, accessibility, and quality of community behavioral healthcare. There were 15 Certified Community Behavioral Health Organizations (CCBHO) participating in the demonstration program. A prospective payment rate was developed for each of these organizations in accordance with the CMS guidelines. PPS payments are based on visits. A visit is a day in which there is at least one face-to-face encounter or one eligible telehealth encounter between a qualified practitioner and an eligible participant involving the provision of a CCBHO service. It does not matter how many or how few CCBHO services an individual receives in a given day, the CCBHO is paid the single PPS rate for that day. The demonstration program ended on June 30, 2019. Missouri was approved to continue the CCBHO services for Fiscal Year 2020.

Rate History
7/1/19: 1.5% rate increase for all physician related services.
7/1/18: 1.5% rate increase for rate restoration for physician related services.
7/1/17: 3% rate decrease for all physician related services.
7/1/16: 2% rate increase for all physician related services.
7/1/16: 3.79% rate increase for Medicare parity for physician related services.
1/1/16: 1% rate increase for all physician related services.

Department: Social Services
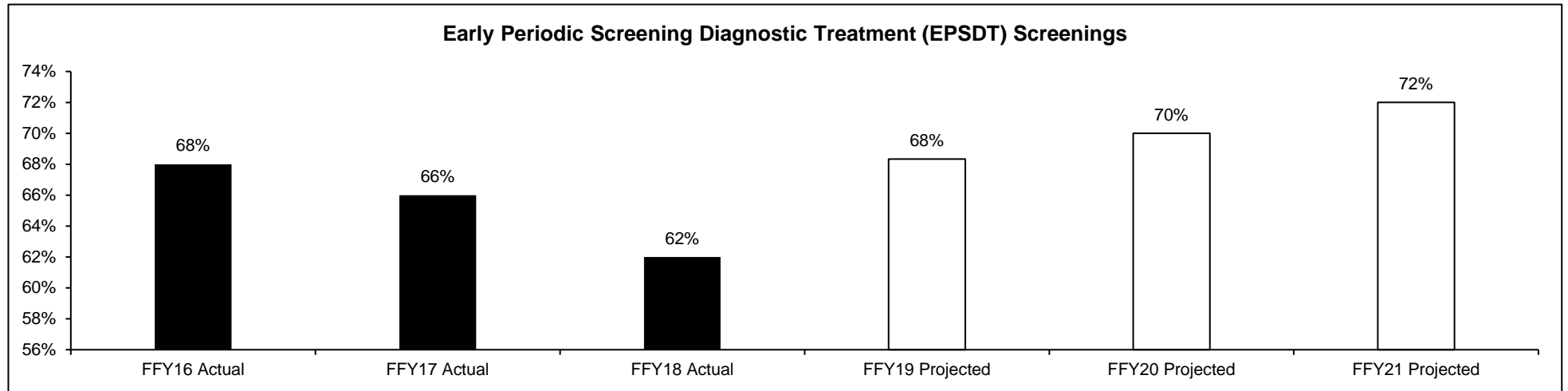
Program Name: Physician

Program is found in the following core budget(s): Physician

HB Section(s): 11.645

2a.   Provide an activity measure for the program.

Early Periodic Screening Diagnostic Treatment (EPSDT) Screenings

Year	Value
FFY16 Actual	68%
FFY17 Actual	66%
FFY18 Actual	62%
FFY19 Projected	68%
FFY20 Projected	70%
FFY21 Projected	72%

The Healthy Children and Youth (HCY) Program in Missouri, also known as Early Periodic Screening, Diagnosis and Treatment (EPSDT), is a comprehensive, primary and preventive health care program for MO HealthNet eligible children and youth under the age of 21 years. The HCY Program provides screenings and treatment to correct or ameliorate defects and chronic conditions found during the screening. The measure is based on the Federal Fiscal year in which the report was submitted to CMS.

PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s): 11.645**
Program Name: Physician
Program is found in the following core budget(s): Physician

2b. Provide a measure of the program's quality.

Receiving preventive services such as breast, cervical, and colon cancer screenings are just a few examples of ways people can stay healthy. It is important to educate MO HealthNet participants of the importance of preventive care. An increase of 10% in breast, cervical and colon cancer screenings each year will show that the program is having a meaningful impact, by showing participants the importance of preventive screenings to catch cancers early, improve the treatment, and lessen the cost of the disease.

Number of Cancer Screenings

	CY16 Actual	CY17 Actual	CY18 Actual	CY19 Projected	CY20 Projected	CY21 Projected
Breast Cancer Screenings	39,485	42,592	25,542	25,797	26,055	26,316
Cervical Cancer Screenings	67,822	62,828	45,631	46,087	46,548	47,013
Colon Cancer Screenings	28,641	29,766	30,064	30,365	30,669	30,976

Notes:

The chart above includes Fee-for-Service (FFS) only, therefore the number of cancer screenings was expected to drop after FY 2017 due to statewide Managed Care.

The data for breast cancer screenings is on FFS women aged 40 years and older.

The data for cervical cancer screenings is on FFS women aged 18 and over.

The data for colon cancer screenings is on participants age 50 and over. The number of colon cancer screenings is lower than breast and cervical cancer screenings. This can be attributed to Medicare paying for services when participants are age 65 and older.

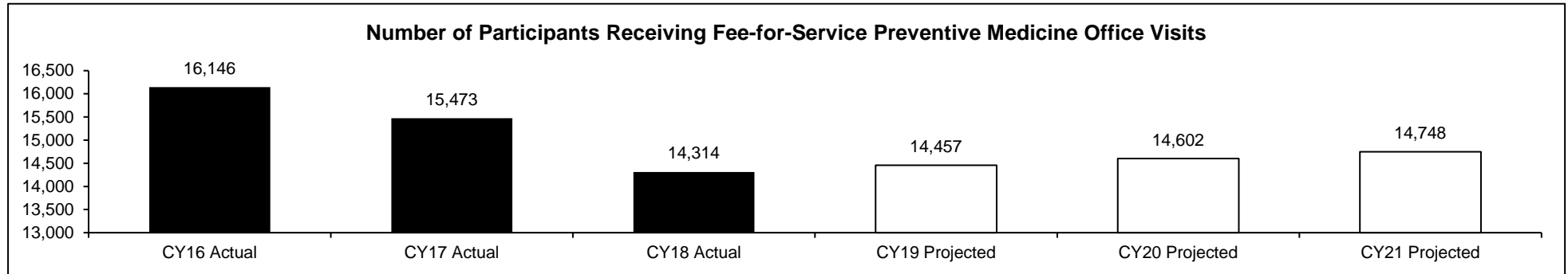# PROGRAM DESCRIPTION

Department: Social Services

Program Name: Physician

Program is found in the following core budget(s): Physician

HB Section(s): 11.645

2c.	Provide a measure of the program's impact.

Increase the number of adult preventive office visits. MO HealthNet pays for one preventive examination/physical per year. Preventive visits are important for maintenance of good health and a reduction in risk factors that could lead to more expensive health care costs.
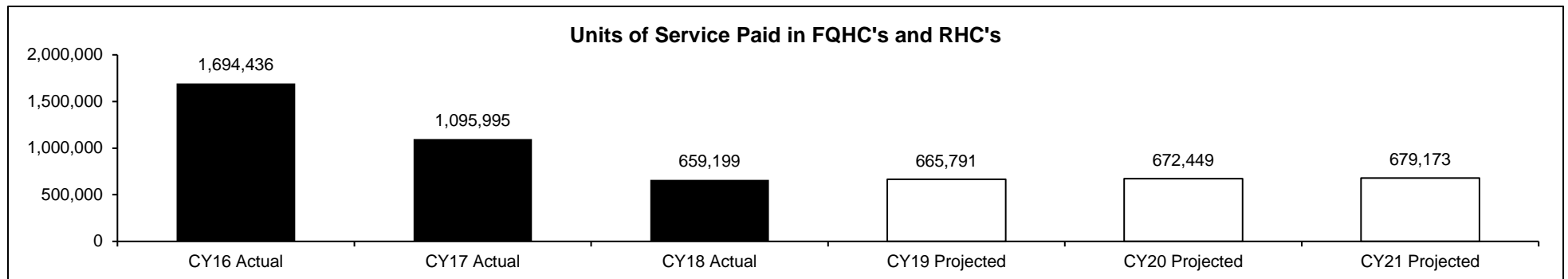
Number of Participants Receiving Fee-for-Service Preventive Medicine Office Visits

CY16 Actual	CY17 Actual	CY18 Actual	CY19 Projected	CY20 Projected	CY21 Projected
16,146	15,473	14,314	14,457	14,602	14,748

An increase of 10% would show the program is having a meaningful impact by showing participants the importance of preventive screenings.

Note: The chart above includes FFS only, therefore the number of preventive office visits was expected to drop after FY 2017 due to statewide expansion of Managed Care.

2d.	Provide a measure of the program's efficiency.

Services in an FQHC and RHC provide primary care services to those in rural areas assuring that they receive preventive care which also lessens the cost of diseases.

Units of Service Paid in FQHC's and RHC's

CY16 Actual	CY17 Actual	CY18 Actual	CY19 Projected	CY20 Projected	CY21 Projected
1,694,436	1,095,995	659,199	665,791	672,449	679,173

Note: The chart above includes FFS only, therefore the number of encounters paid in an FQHC and RHCs was expected to drop after FY 2017 due to statewide Managed Care.
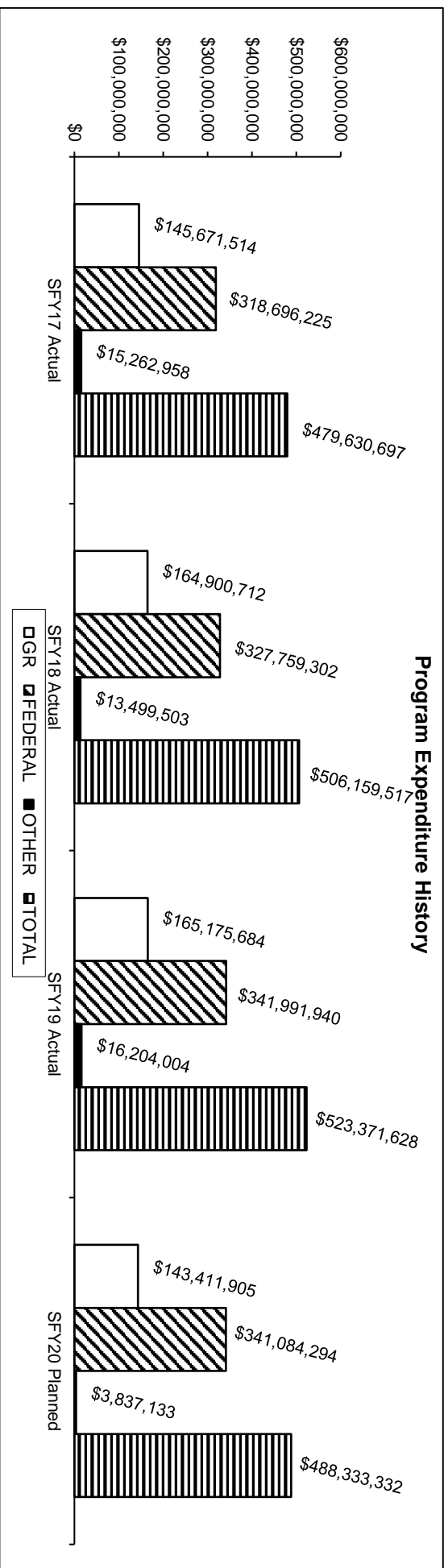
PROGRAM DESCRIPTION

Department: Social Services

HB Section(s): 11.645

Program Name: Physician

Program is found in the following core budget(s): Physician

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3. Provide actual expenditures for the prior three fiscal years; planned expenditures for the current fiscal year. (*Note: Amounts do not include fringe*)

Program Expenditure History

- SFY17 Actual: $145,671,514; $318,696,225; $15,262,958; $479,630,697
- SFY18 Actual: $164,900,712; $327,759,302; $13,499,503; $506,159,517
- SFY19 Actual: $165,175,684; $341,991,940; $16,204,004; $523,371,628
- SFY20 Planned: $143,411,905; $341,084,294; $3,837,133; $488,333,332

Legend: GR, FEDERAL, OTHER, TOTAL

Y-axis: $0, $100,000,000, $200,000,000, $300,000,000, $400,000,000, $500,000,000, $600,000,000

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4. What are the sources of the "Other " funds?

Health Initiatives Fund (HIF) (0275), Healthy Families Trust Fund (0625), Pharmacy Reimbursement Allowance Fund (0144), and Third Party Liability Collections Fund (0120).

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5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: Sections 208.153 and 208.166 RSMo. Federal law: Social Security Act Sections 1905(a)(2), (3), (5), (6), (9), (17), (21); 1905(r) and 1915(d). Federal regulations: 42 CFR 440.210, 440.500, 412.113(c) and 441 Subpart B.

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6. Are there federal matching requirements? If yes, please explain.

The FMAP (Federal Medical Assistance Percentage) fluctuates annually based on state and national economic and population data, but generally the state matching requirement is around 35% and the federal match is around 65%.

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7. Is this a federally mandated program? If yes, please explain.

Yes, if the state elects to have a Medicaid program. Some services are optional: podiatry, clinics, nurse practitioners, CRNA, Psychologist, and LCSW.

NDI - PACE

NEW DECISION ITEM

RANK: _____31_____ OF _____36_____

Department: Social Services   **Budget Unit: 90568C**
Division: MO HealthNet
DI Name: PACE   **DI# 1886016**   **HB Section: 11.645**

1. AMOUNT OF REQUEST

	FY 2021 Budget Request					FY 2021 Governor's Recommendation			
	GR	**Federal**	**Other**	**Total**		**GR**	**Federal**	**Other**	**Total**
PS					**PS**				0
EE					**EE**				0
PSD	4,886,504	9,313,496		14,200,000	**PSD**				0
TRF					**TRF**				0
Total	**4,886,504**	**9,313,496**	**0**	**14,200,000**	**Total**	**0**	**0**	**0**	**0**
FTE	**0.00**	**0.00**	**0.00**	**0.00**	**FTE**				**0.00**

Est. Fringe	0	0	0	0	**Est. Fringe**	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: N/A   Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation	**x**	New Program		Fund Switch
	Federal Mandate		Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan		Other:		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

This requests funding for two proposed Programs of All-Inclusive Care for the Elderly (PACE). The PACE organizations would provide a full range of preventive, primary, acute, and long-term care services 24 hours per day, 7 days per week. The proposed PACE sites are located in the Kansas City and St. Louis Regions. The PACE Centers are typically open Monday through Friday, 8 AM to 5 PM, to offer services on-site in an adult day health center setting. The PACE organizations also provide in-home services as deemed necessary by the PACE Interdisciplinary Team (IDT). All medical services provided to the individual while enrolled in the PACE program, are the financial responsibility of the PACE provider. An actuarial study is currently underway to determine rates for the proposed PACE programs. Currently, the estimated cost of $14,200,000 to run two new PACE sites, is based on historical budget requests for the PACE program in Missouri.

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Department: Social Services   **Budget Unit: 90568C**
Division: MO HealthNet
DI Name: PACE   **DI# 1886016**   **HB Section: 11.645**

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

The PACE program helps MO HealthNet participants remain in their homes instead of seeking institutional care under the fee-for-service program, by helping them stay as independent as possible.

While some PACE participants need to move into a Nursing Home, the participants remain enrolled in PACE and the PACE provider is responsible for all services provided to these participants. A significant portion of PACE participants continue to live at home and receive services under the PACE program.

An actuarial study is currently underway to determine rates for the proposed PACE programs. Currently, the estimated cost of $14,200,000 to run two new PACE sites is based on historical budget requests for the PACE program in Missouri.

In FY20, language for the PACE program was added to the Physician section; however; no dollars were appropriated for the program.

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PSD	4,886,504		9,313,496			0	14,200,000		0
Grand Total	4,886,504	0.0	9,313,496	0.0	0	0.0	14,200,000	0.0	0

Department: Social Services   **Budget Unit: 90568C**
Division: MO HealthNet
DI Name: PACE   **DI# 1886016**   **HB Section: 11.645**

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6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an activity measure for the program.
This is a new program and MHD will have updated measures once data is available. Outcome measures will include the number of MHD enrollees participating in the program.

6b. Provide a measure of the program's quality.
This is a new program and MHD will have updated measures once data is available. Outcome measures will include the different types of PACE services provided.

6c. Provide a measure of the program's impact.
This is a new program and MHD will have updated measures once data is available. Outcome measures will include the total number of PACE participants residing in their own home versus residing in a nursing facility.

6d. Provide a measure of the program's efficiency
This is a new program and MHD will have updated measures once data is available. Oucome measures will include the percentage of PACE participants receiving flu vaccines.

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7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

MHD proposes to open two Programs of All-Inclusive Care for the Elderly (PACE) sites located in the Kansas City and St. Louis Regions. The PACE organizations would provide a full range of preventive, primary, acute, and long-term care services 24 hours per day, 7 days per week. The PACE Centers are typically open Monday through Friday, 8 AM to 5 PM, to offer services on-site in an adult day health center setting. The PACE organizations also provide in-home services as deemed necessary by the PACE Interdisciplinary Team (IDT).

Budget Unit
Decision Item
  Budget Object Summary
    Fund
	FY 2019
	ACTUAL
	DOLLAR
		FY 2019
		ACTUAL
		FTE
			FY 2020
			BUDGET
			DOLLAR
				FY 2020
				BUDGET
				FTE
					FY 2021
					DEPT REQ
					DOLLAR
						FY 2021
						DEPT REQ
						FTE
							*************
							SECURED
							COLUMN
								*************
								SECURED
								COLUMN

PACE								
PACE - 1886016								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	4,886,504	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	9,313,496	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	14,200,000	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**14,200,000**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$14,200,000**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
PACE								
PACE - 1886016								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	14,200,000	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**14,200,000**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$14,200,000**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$4,886,504**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$9,313,496**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

NDI - CCBHO

Department: Social Services   **Budget Unit: 90544C**
Division: MO HealthNet   **DI# 1886022**
DI Name: Certified Community Behavioral Health Organizations (CCBHO)   **HB Section: 11.645**

1. AMOUNT OF REQUEST

	FY 2021 Budget Request					FY 2021 Governor's Recommendation			
	GR	**Federal**	**Other**	**Total**		**GR**	**Federal**	**Other**	**Total**
PS					**PS**				0
EE					**EE**				0
PSD	1,545,750	2,954,250		4,500,000	**PSD**				0
TRF					**TRF**				0
Total	**1,545,750**	**2,954,250**	**0**	**4,500,000**	**Total**	**0**	**0**	**0**	**0**
FTE	**0.00**	**0.00**	**0.00**	**0.00**	**FTE**				**0.00**

Est. Fringe	*0*	*0*	*0*	*0*	*Est. Fringe*	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.   *Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*

Other Funds: N/A   Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program			Fund Switch
	Federal Mandate		Program Expansion	**x**		Cost to Continue
	GR Pick-Up		Space Request			Equipment Replacement
	Pay Plan		Other:			

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

The MO HealthNet Division (MHD) is requesting additional funding due to the increased utilization associated with adding three new Certified Community Behavioral Health Organizations (CCBHO) sites in the State. DMH estimates the three additional sites will increase expenditures in the MHD's budget by $4,500,000 annually.

Department: Social Services   **Budget Unit: 90544C**
Division: MO HealthNet   **DI# 1886022**
DI Name: Certified Community Behavioral Health Organizations (CCBHO)   **HB Section: 11.645**

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4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

CCBHOs are designed to demonstrate cost effectiveness by converting Medicaid reimbursement for community behavioral health services from a fee-for-service reimbursement system to a prospective payment system, while improving the availability, accessibility, and quality of community behavioral healthcare.

The MO HealthNet Division is requesting additional funding due to the increased utilization anticipated from adding three new CCBHO sites in the State of Missouri.

The Department of Mental Health (DMH) estimates the three additional sites will increase expenditures in the MHD's budget by $4,500,000 annually.

MHD CCHBO
Expenditures

SFY20	$60,189,500
SFY19	$59,299,999
SFY18	$43,999,557

	FMAP	65.65%	
	Total	**GR**	**FED**
3 New CCHBO Sites $4,500,000	$4,500,000	$1,545,750	$2,954,250

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5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PSD	1,545,750		2,954,250		0		4,500,000		0
Grand Total	1,545,750	0.0	2,954,250	0.0	0	0.0	4,500,000	0.0	0

Department: Social Services   **Budget Unit: 90544C**
Division: MO HealthNet   **DI# 1886022**
DI Name: Certified Community Behavioral Health Organizations (CCBHO)   **HB Section: 11.645**
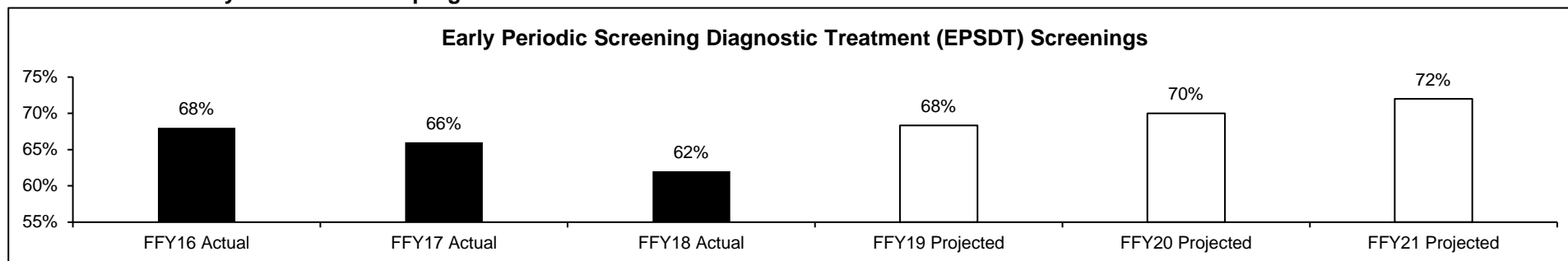
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6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an activity measure for the program.

Early Periodic Screening Diagnostic Treatment (EPSDT) Screenings

68%	66%	62%	68%	70%	72%
FFY16 Actual	FFY17 Actual	FFY18 Actual	FFY19 Projected	FFY20 Projected	FFY21 Projected

The Healthy Children and Youth (HCY) Program in Missouri, also known as Early Periodic Screening, Diagnosis and Treatment (EPSDT), is a comprehensive, primary and preventive health care program for MO HealthNet eligible children and youth under the age of 21 years. The HCY Program provides screenings and treatment to correct or ameliorate defects and chronic conditions found during the screening. The measure is based on the Federal Fiscal year in which the report was submitted to CMS.

NEW DECISION ITEM
RANK: 36 OF 36

Department: Social Services   **Budget Unit: 90544C**
Division: MO HealthNet   **DI# 1886022**
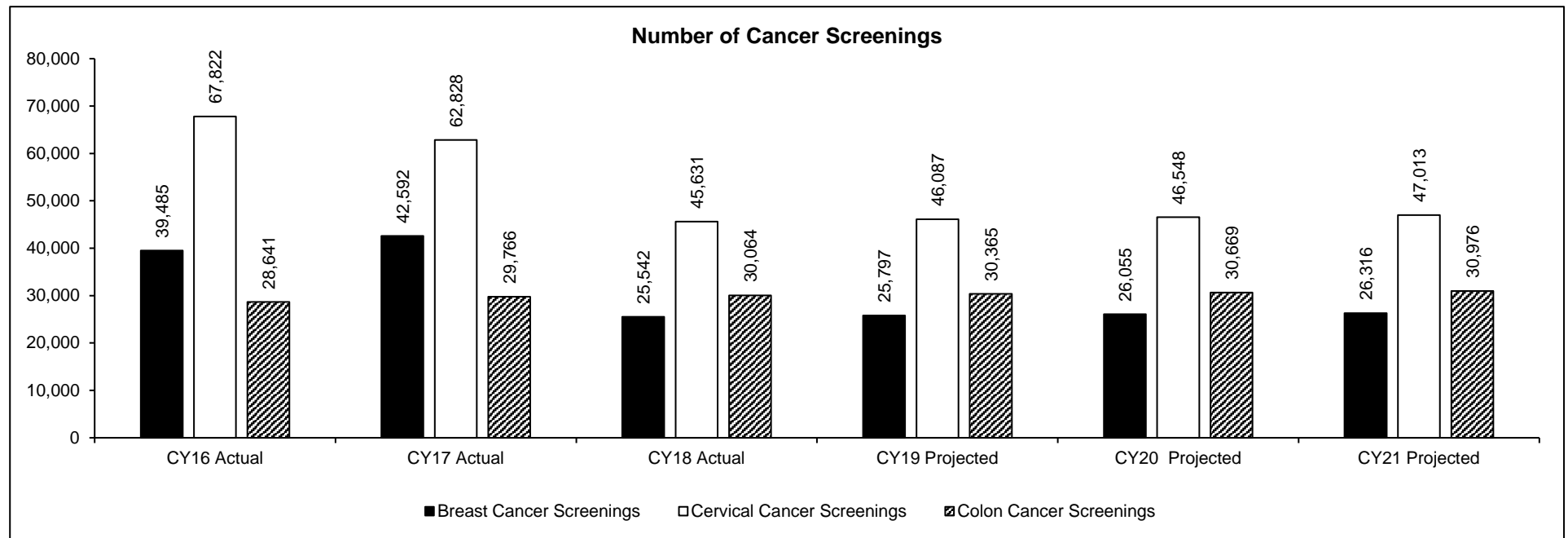**DI Name: Certified Community Behavioral Health Organizations (CCBHO)**   **HB Section: 11.645**

6b. Provide a measure of the program's quality.

Receiving preventive services such as breast, cervical, and colon cancer screenings are just a few examples of ways people can stay healthy. It is important to educate MO HealthNet participants of the importance of preventive care. An increase of 10% in breast, cervical and colon cancer screenings each year will show that the program is having a meaningful impact, by showing participants the importance of preventive screenings to catch cancers early, improve the treatment, and lessen the cost of the disease.

Number of Cancer Screenings

	Breast Cancer Screenings	Cervical Cancer Screenings	Colon Cancer Screenings
CY16 Actual	39,485	67,822	28,641
CY17 Actual	42,592	62,828	29,766
CY18 Actual	25,542	45,631	30,064
CY19 Projected	25,797	46,087	30,365
CY20 Projected	26,055	46,548	30,669
CY21 Projected	26,316	47,013	30,976

Notes:

The chart above includes Fee-for-Service (FFS) only, therefore the number of cancer screenings was expected to drop after FY 2017 due to statewide expansion of Managed Care. The data for breast cancer screenings is on FFS women aged 40 years and older.

The data for cervical cancer screenings is on FFS women aged 18 and over.

The data for colon cancer screenings is on participants age 50 and over. The number of colon cancer screenings is lower than breast and cervical cancer screenings. This can be attributed to Medicare paying for services when participants are age 65 and older.

Department: Social Services   **Budget Unit: 90544C**
Division: MO HealthNet   **DI# 1886022**
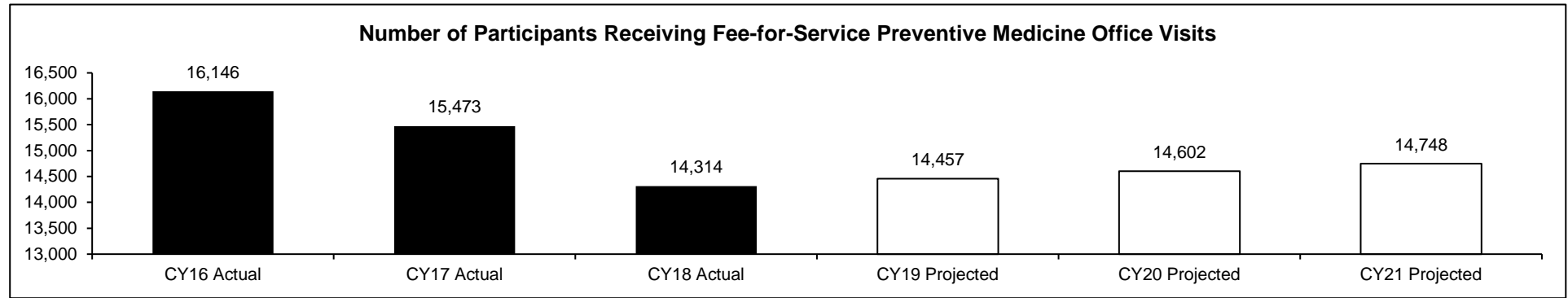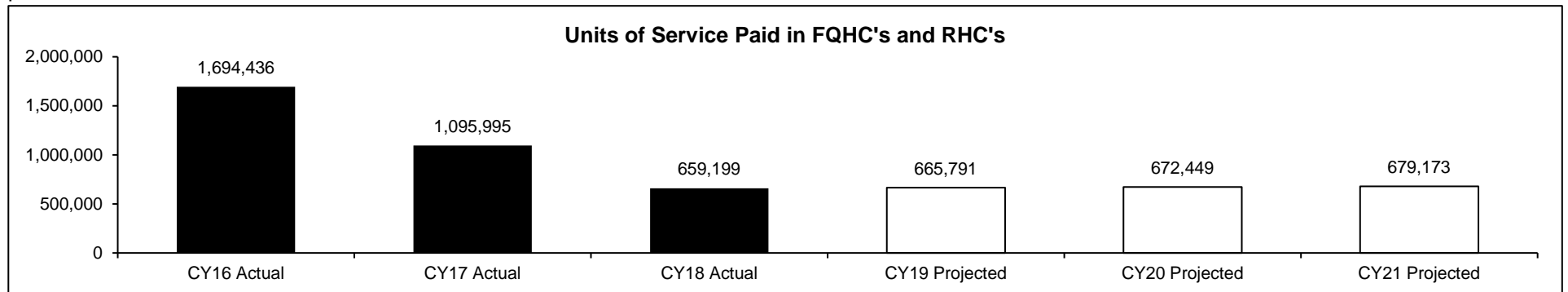**DI Name: Certified Community Behavioral Health Organizations (CCBHO)**   **HB Section: 11.645**

6c. Provide a measure of the program's impact.

Increase the number of adult preventive office visits. MO HealthNet pays for one preventive examination/physical per year. Preventive visits are important for maintenance of good health and a reduction in risk factors that could lead to more expensive health care costs.

Number of Participants Receiving Fee-for-Service Preventive Medicine Office Visits

CY16 Actual	CY17 Actual	CY18 Actual	CY19 Projected	CY20 Projected	CY21 Projected
16,146	15,473	14,314	14,457	14,602	14,748

An increase of 10% would show the program is having a meaningful impact by showing participants the importance of preventive screenings.
Note: The chart above includes FFS only, therefore the number of preventive office visits was expected to drop after FY 2017 due to statewide expansion of Managed Care.

6d. Provide a measure of the program's efficiency

Services in an FQHC and RHC show the efficiency of the program, because they provide primary care services to those in rural areas assuring that they receive preventive care which also lessens the cost of diseases.

Units of Service Paid in FQHC's and RHC's

CY16 Actual	CY17 Actual	CY18 Actual	CY19 Projected	CY20 Projected	CY21 Projected
1,694,436	1,095,995	659,199	665,791	672,449	679,173

Note: The chart above includes FFS only, therefore the number of encounters paid in an FQHC and RHCs was expected to drop after FY17 due to statewide Managed Care.

Department: Social Services   **Budget Unit: 90544C**
Division: MO HealthNet   **DI# 1886022**
DI Name: Certified Community Behavioral Health Organizations (CCBHO)   **HB Section: 11.645**

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7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

The MHD anticipates increased utilization associated with adding three new Certified Community Behavioral Health Organizations (CCBHO) sites in the State.

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
PHYSICIAN RELATED PROF								
CCBHO - 1886022								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	4,500,000	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**4,500,000**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$4,500,000**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$1,545,750**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$2,954,250**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Core - Dental

CORE DECISION ITEM

Department: Social Services   **Budget Unit: 90546C**
Division: MO HealthNet
Core: Dental   **HB Section: 11.650**

1. CORE FINANCIAL SUMMARY

	FY 2021 Budget Request					FY 2021 Governor's Recommendation			
	GR	**Federal**	**Other**	**Total**		**GR**	**Federal**	**Other**	**Total**
PS					**PS**				0
EE					**EE**				0
PSD	1,800,583	3,578,086	71,162	5,449,831	**PSD**				0
TRF					**TRF**				0
Total	**1,800,583**	**3,578,086**	**71,162**	**5,449,831**	**Total**	**0**	**0**	**0**	**0**
FTE	**0.00**	**0.00**	**0.00**	**0.00**	**FTE**				**0.00**

Est. Fringe	0	0	0	0		**Est. Fringe**	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.						*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*				

Other Funds: Health Initiatives Fund (HIF) (0275) - $71,162   Other Funds:

2. CORE DESCRIPTION

This budget item funds the dental fee-for-service program. Comprehensive dental services are available for children, pregnant women, the blind and nursing facility residents (including Independent Care Facilities for individuals with Intellectual Disabilities-ICF/ID). As of January 2016, MO HealthNet began offering limited dental services for adults ages 21 and over.

## 3. PROGRAM LISTING (list programs included in this core funding)

Dental Services

Department: Social Services   **Budget Unit: 90546C**
Division: MO HealthNet
Core: Dental   **HB Section: 11.650**

4. FINANCIAL HISTORY

	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Current Yr.
Appropriation (All Funds)	15,257,885	6,584,075	6,130,771	5,627,777
Less Reverted (All Funds)	(2,135)	0	0	N/A
Less Restricted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	15,255,750	6,584,075	6,130,771	5,627,777
Actual Expenditures (All Funds)	14,995,471	6,176,748	5,214,911	N/A
Unexpended (All Funds)	260,279	407,327	915,860	N/A
Unexpended, by Fund:				
General Revenue	80	207,335	0	N/A
Federal	260,199	199,517	351,989	N/A
Other	0	475	563,871	N/A
	(1)	(2)	(3)	
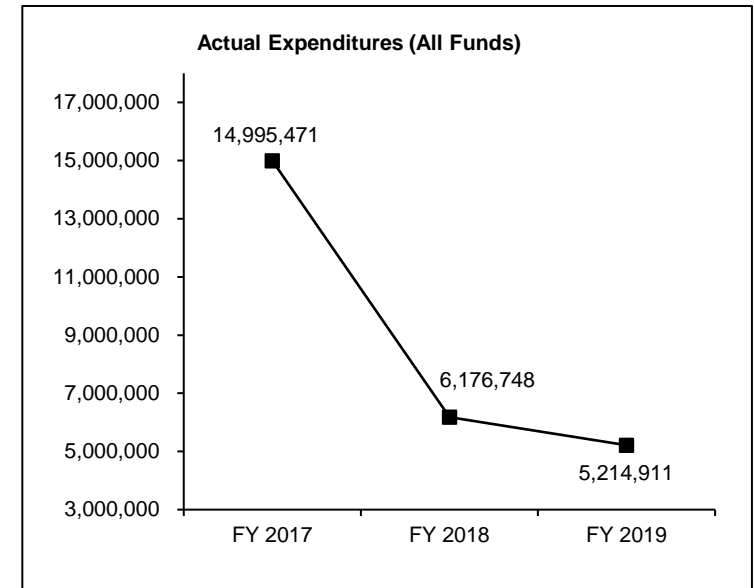
Actual Expenditures (All Funds)

14,995,471 (FY 2017)
6,176,748 (FY 2018)
5,214,911 (FY 2019)

Reverted includes statutory reserve amounts (when applicable).
Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) FY17 **-** Expenditures of $1,344,069 were paid from Managed Care.

(2) FY18 - Lapse of $89,319 GR due to release of an expenditure restriction in FY18. $118,015 GR was flexed out to cover other program expenditures. $589,608 was flexed in to cover Dental expenditures.

(3) FY19 - $704,183 GR was flexed in to cover program expenditures. $563,781 was held in Agency Reserve in the Healthy Families Trust Fund (0625).

DEPARTMENT OF SOCIAL SERVICES
DENTAL

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	1,862,472	3,694,143	71,162	5,627,777	
	Total	**0.00**	**1,862,472**	**3,694,143**	**71,162**	**5,627,777**	
DEPARTMENT CORE ADJUSTMENTS							
Core Reduction 576 8199	PD	0.00	0	(116,057)	0	(116,057)	Core Reduction due to estimated lapse.
Core Reduction 576 8198	PD	0.00	(61,889)	0	0	(61,889)	Core Reduction due to estimated lapse.
NET DEPARTMENT CHANGES		**0.00**	**(61,889)**	**(116,057)**	**0**	**(177,946)**	
DEPARTMENT CORE REQUEST							
	PD	0.00	1,800,583	3,578,086	71,162	5,449,831	
	Total	**0.00**	**1,800,583**	**3,578,086**	**71,162**	**5,449,831**	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	1,800,583	3,578,086	71,162	5,449,831	
	Total	**0.00**	**1,800,583**	**3,578,086**	**71,162**	**5,449,831**	

Budget Unit Decision Item Budget Object Summary Fund	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
DENTAL								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	1,443,917	0.00	1,862,472	0.00	1,800,583	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	3,414,930	0.00	3,694,143	0.00	3,578,086	0.00	0	0.00
HEALTH INITIATIVES	71,162	0.00	71,162	0.00	71,162	0.00	0	0.00
HEALTHY FAMILIES TRUST	284,902	0.00	0	0.00	0	0.00	0	0.00
TOTAL - PD	5,214,911	0.00	5,627,777	0.00	5,449,831	0.00	0	0.00
TOTAL	**5,214,911**	**0.00**	**5,627,777**	**0.00**	**5,449,831**	**0.00**	**0**	**0.00**
Asset Limit CTC - 1886020								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	8,687	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	16,603	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	25,290	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**25,290**	**0.00**	**0**	**0.00**
Asset Limit Phase-In - 1886021								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	4,325	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	8,267	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	12,592	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**12,592**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$5,214,911**	**0.00**	**$5,627,777**	**0.00**	**$5,487,713**	**0.00**	**$0**	**0.00**

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FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: 90546C	DEPARTMENT: Social Services
BUDGET UNIT NAME: Dental HOUSE BILL SECTION: 11.650	DIVISION: MO HealthNet

1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

DEPARTMENT REQUEST

Total $5,487,713	**% Flex** 10%	**Flex Amount** $548,771	Not more than ten percent (10%) flexibility is requested between sections 11.630, 11.645, 11.650, 11.655, 11.660, 11.675, 11.680, 11.685, 11.690, 11.695, 11.710, 11.725, 11.730, and 11.740.

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED	CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED	BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED
$118,818	HB11 language allows up to 10% flexibility between 11.630, 11.645, 11.650, 11.655, 11.660, 11.675, 11.680, 11.685, 11.690, 11.695, 11.710, 11.725, 11.730, and 11.740.	10% flexiblity is being requested for FY21

3. Please explain how flexibility was used in the prior and/or current years.

PRIOR YEAR EXPLAIN ACTUAL USE	CURRENT YEAR EXPLAIN PLANNED USE
Flex was used to cover shortfalls in clawback payments until the Supplemental was received.	Flexibility allows continued service without disrupting or delaying benefits and allows the funding of the Medicaid program.

Budget Unit Decision Item Budget Object Class	FY 2019 ACTUAL DOLLAR	FY 2019 ACTUAL FTE	FY 2020 BUDGET DOLLAR	FY 2020 BUDGET FTE	FY 2021 DEPT REQ DOLLAR	FY 2021 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
DENTAL								
CORE								
PROGRAM DISTRIBUTIONS	5,214,911	0.00	5,627,777	0.00	5,449,831	0.00	0	0.00
TOTAL - PD	**5,214,911**	**0.00**	**5,627,777**	**0.00**	**5,449,831**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$5,214,911**	**0.00**	**$5,627,777**	**0.00**	**$5,449,831**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	$1,443,917	0.00	$1,862,472	0.00	$1,800,583	0.00		0.00
FEDERAL FUNDS	$3,414,930	0.00	$3,694,143	0.00	$3,578,086	0.00		0.00
OTHER FUNDS	$356,064	0.00	$71,162	0.00	$71,162	0.00		0.00

Department: Social Services   **HB Section(s): 11.650**
Program Name: Dental Program
Program is found in the following core budget(s): Dental

1a. What strategic priority does this program address?

Provide quality dental care access to MO HealthNet participants

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1b. What does this program do?

The MO HealthNet Division's (MHD) dental program reimburses for services that include diagnostic, preventive, and corrective procedures provided by a licensed dentist or dental hygienist. The dentist must be enrolled in the MO HealthNet program. Generally, dental services include the following:
- Treatment of the teeth and associated structure of the oral cavity;
- Preparation, fitting, and repair of dentures and associated appliances; and
- Treatment of disease, injury, or impairments that affect the general oral health of a participant.

MO HealthNet currently offers comprehensive dental services for children, pregnant women, the blind, and residents of a Nursing Facility or Intermediate Care Facility/Intellectual Disability (ICF/ID). Coverage for adults is more limited and includes dental services and care related to trauma of the mouth, jaw, teeth, or other contiguous sites. Services provided under tiers 1-6 are outlined below.

MHD attempts to improve the overall health of MO HealthNet participants by improving oral health through reimbursement for their diagnostic, preventative, and corrective dental services. Additionally, MHD attempts to ensure MO HealthNet eligible children have access to dental screenings and Early and Periodic Screening Diagnosis and Treatment (EPSDT) services, also known as the Healthy Children and Youth (HCY) program.

Reimbursement Methodology

Dental services are reimbursed in the fee-for-service and managed care settings. For managed care participants, dental services are reimbursed by MO HealthNet through the actuarially sound capitated rate paid to the Managed Care Organizations (MCO's). Dental rates are reimbursed for fee-for-service claims based on maximum allowable amounts identified on a fee schedule. Prior authorization is required in the fee-for-service program for certain services such as orthodontic treatment, composite resin crowns, metallic and porcelain/ceramic inlay restorations, and high noble metal crowns. The services of a dentist may be administered in a variety of settings including the provider's office, a hospital, nursing home, or clinic. If dental services are billed by a rural health clinic (RHC) or federally qualified health center (FQHC), the reimbursement methodology is different and would be paid out of the Physician-Related Services line (see Physician tab for more information). Services rendered by a dental hygienist are typically billed by the dentist. However, certain dental hygienists who have been licensed for at least three consecutive years and practicing in a public health setting may bill independently.

Services rendered by someone other than a dentist or dental hygienist, including appropriate supplies, are billable only where there is direct personal supervision by the dentist. This applies to services rendered by auxiliary personnel employed by the dentist and working under his/her on-site supervision and is restricted to non-physician anesthetists (including Certified Registered Nurse Anesthetists and Anesthesiologist Assistants), dental assistants, and certified dental assistants.

PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s): 11.650**
Program Name: Dental Program
Program is found in the following core budget(s): Dental

Rate History
07/01/19: 1.5% rate increase on all covered services
07/01/18: 1.5% rate increase on all covered services
07/01/17: 3% rate decrease on all covered services
07/01/16: ~2% rate increase on all covered services
01/01/16: 1% rate increase on all covered services

Additional Details
For children under 21, pregnant women, the blind, and nursing facility residents (including ICF/ID), covered services under the dental program include, in part, the following: examinations; fillings; sealants; prophylaxis; fluoride treatments; extractions; anesthesia; crowns; injections; oral surgery; periodontal treatment (in limited cases); pulp treatment; restoration; root canal therapy; x-rays; and dentures (full or partial), denture adjustments or repairs, and denture duplication or relines. Orthodontic services, the field of dentistry associated with the correction of abnormally positioned or misaligned teeth, are available only to children under age 21 for the most severe malocclusions.

Coverage for adults for dental services in tiers 1-6 was added effective January 2016. Expanded coverage of dental services for adults in Missouri include preventive services, restorative services, periodontal treatment, oral surgery, extractions, radiographs, pain evaluation and relief, infection control and general anesthesia. Prior to January 2016, MO HealthNet only covered dental services for adults age 21 and over (except individuals noted above) if the dental care was related to trauma of the mouth, jaw, teeth or other contiguous sites as a result of injury, or for the treatment of a medical condition without which the health of the individual would be adversely affected. Treatment for such a medical condition would require a written referral from the participant's physician stating that the absence of dental treatment would adversely affect a stated pre-existing medical condition.
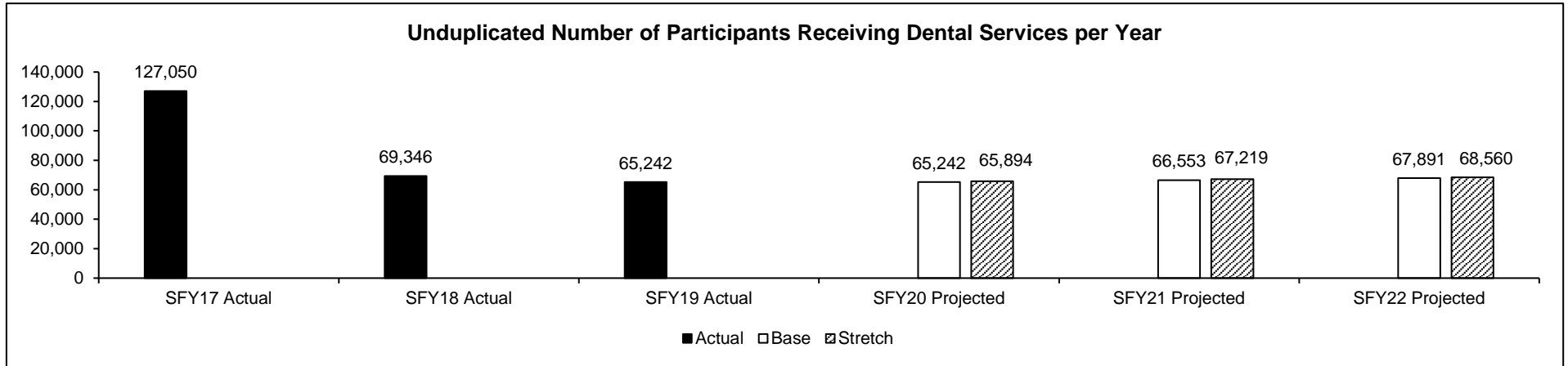
PROGRAM DESCRIPTION

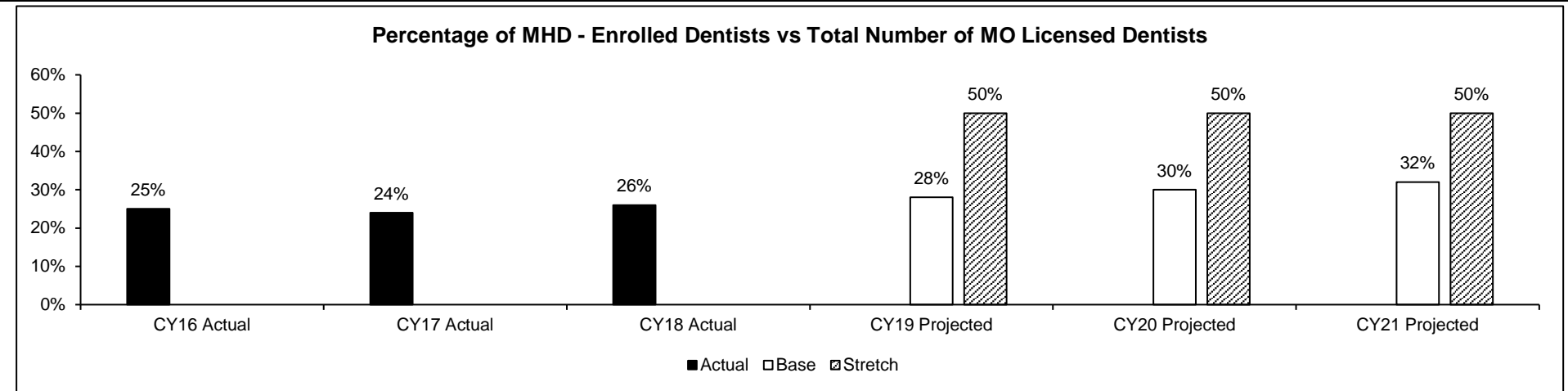**Department: Social Services**
Program Name: Dental Program
Program is found in the following core budget(s): Dental

HB Section(s): 11.650

2a.   Provide an activity measure(s) for the program.

Unduplicated Number of Participants Receiving Dental Services per Year

In SFY18, the number is significantly lower due to the implementation of statewide Managed Care.

2b. Provide a measure(s) of the program's quality.

Percentage of MHD - Enrolled Dentists vs Total Number of MO Licensed Dentists

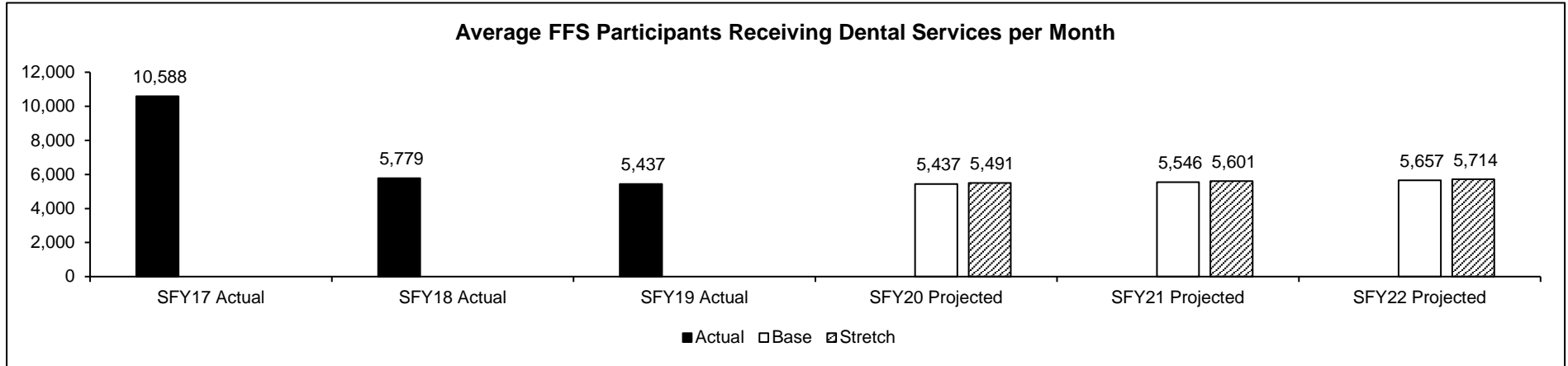# PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s): 11.650**
Program Name: Dental Program
Program is found in the following core budget(s): Dental

2c.   Provide a measure(s) of the program's impact.

Average FFS Participants Receiving Dental Services per Month

	SFY17 Actual	SFY18 Actual	SFY19 Actual	SFY20 Projected	SFY21 Projected	SFY22 Projected
Actual	10,588	5,779	5,437			
Base				5,437	5,546	5,657
Stretch				5,491	5,601	5,714

■Actual □Base ▨Stretch

In SFY18, the number is significantly lower due to the implementation of statewide Managed Care.

2d.   Provide a measure(s) of the program's efficiency.

Dental Cost per Participant

	SFY17 Actual	SFY18 Actual	SFY19 Actual	SFY20 Projected	SFY21 Projected	SFY22 Projected
Actual	$144	$132	$122			
Base				$122	$124	$126
Stretch				$120	$122	$124

■Actual □Base ▨Stretch

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Dental Program
Program is found in the following core budget(s): Dental

HB Section(s): 11.650

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3. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year. (*Note: Amounts do not include fringe benefit costs.*)

Program Expenditure History

	SFY17 Actual	SFY18 Actual	SFY19 Actual	SFY20 Planned
GR	$4,346,832	$1,279,065	$1,443,917	$1,862,472
FEDERAL	$9,918,004	$3,978,223	$3,414,930	$3,694,143
OTHER	$730,635	$919,460	$356,064	$71,162
TOTAL	$14,995,471	$6,176,748	$5,214,911	$5,627,777

Legend: □GR ▨FEDERAL ■OTHER ▤TOTAL

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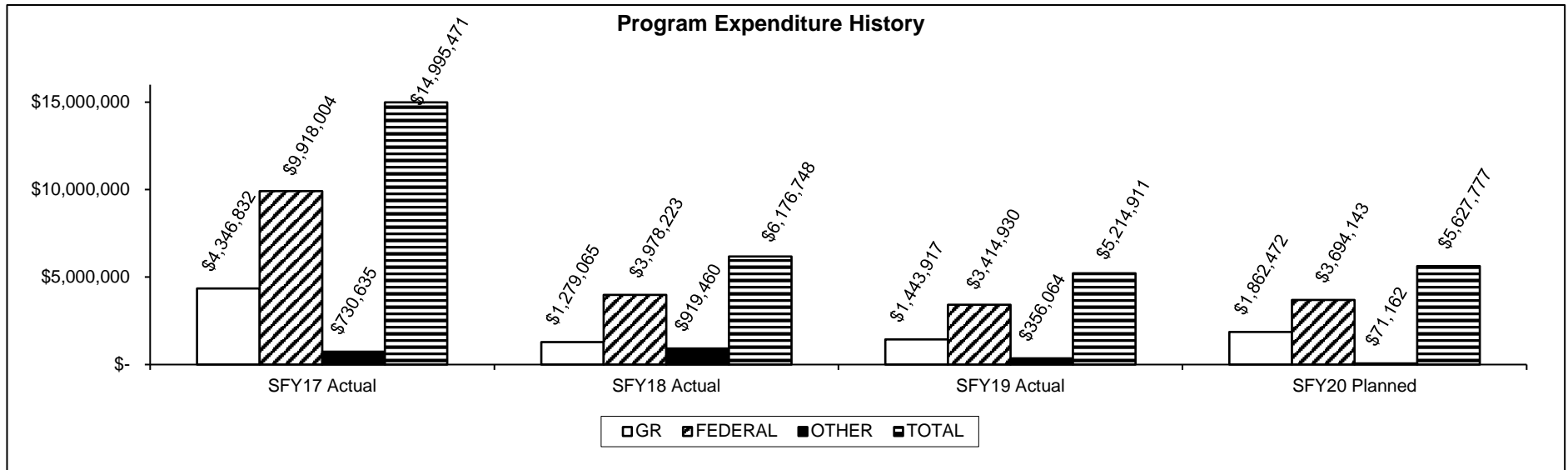
4. What are the sources of the "Other " funds?

Health Initiatives Fund (0275), Healthy Families Trust Fund (0625), Nursing Facility Reimbursement Allowance Fund (0196), Ambulance Service Reimbursement Allowance Fund (0958)

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5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: Section 208.152, RSMo. Federal law: Social Security Act Section 1905(a)(12) and (18), 1905(o). Federal regulation: 42 CFR 410.40, 418, 431.53, 440.60, 440.120, 440.130 and 440.170.

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6. Are there federal matching requirements? If yes, please explain.

The FMAP (Federal Medical Assistance Percentage) fluctuates annually based on state and national economic and population data, but generally the state matching requirement is around 35% and the federal match is around 65%.

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7. Is this a federally mandated program? If yes, please explain.

This program is not mandatory for adults but is mandatory for children.